CORRUPTION ASSESSMENT REPORT
ALBANIA

Research coordination and report preparation:
Zef Preci (ACER)
Jonida Narazani (ACER)
Ami Narazani (ACER)
Brunilda Kosta (ACER)
Alba Cela (House of Europe)

Field research:
Fatmir Memaj (Albanian Socio-Economic Think Tank, ASET)
Albana Idershaj (Albanian Socio-Economic Think Tank, ASET)

Project Associates:
House of Europe, Tirana (Albania)

Cover design:
MetalArt shpk.

SELDI is an open initiative, constantly aiming to expand and attract CSOs, policy-makers, and other stakeholders, which can contribute to its goals, share experience and support good governance and anti-corruption measures in Southeast Europe.
140 anti-corruption stakeholders (CSOs, policy-makers, international organizations, researchers and journalists from nine countries) were consulted and provided valuable feedback for the improvement of the SELDI Strategy and Action Agenda.

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KEY POINTS

During the last three years in Albania, there have been some general developments with relevance to anticorruption, listed as below:

In 2012, there were adopted some constitutional amendments limiting the immunity of judges;

In March 2014, amendments to the Code of Criminal Procedure implementing the 2012 constitutional changes on restrictions to the immunities enjoyed by judges, MPs and other senior officials were approved;

The Central Election Commission adopted a Decision in January 2012, to increase transparency;

In November 2013, a National Coordinator for Anti-corruption (NCAC) was appointed to coordinate the activities of state bodies and independent institutions, both at central and local level;

In March, 2014 it was approved the Draft-Law with amendments to the law "For the Prevention and Fight Against Organized Crime" or better known as "Anti-Mafia" law, where the main change is the inclusion of "corruption" within the scope of this Law;

The new Civil Service Law (CSL) became effective on 26 February 2014 and its secondary legislation was adopted in time for its entry into force on 1 April;

On September, 2014, it was created a new body called The Investigation section for corruption and property, in the Heavy Crimes Prosecution which aims to investigate the cases of corruption of judges, prosecutors and senior officials;

The new law on access to information has been adopted in September, 2014.

INTRODUCTION

The Corruption Assessment Report 2014 assesses the progress of anti-corruption in Albania by exploring the relationship between government anti-corruption policies, the institutional setup of governance and the levels of corruption victimization of the population. The motivation behind such approach is that the governance institutional design determines the legitimate rules for all society sectors. Corruption is a violation of these rules which aims the private benefit and is often described as particularistic governance favouring private interests. It occurs when established rules are dysfunctional or when public officials deliberately violate institutional norms, laws, etc. in order to benefit and/ or ensure privileges for others.

Corruption Assessment Methodology

The Corruption Assessment Report is focused on three main areas:

The results and findings of a national survey. The principle method used to assess results is to measure the dynamics of administrative corruption prevalence among the general population (18+);

The specific anti-corruption policies of the government. These policies address corruption related violations from the legal institutional setup of governance and are aimed at safeguarding and enforcing the compliance with established governance mechanisms.

The legal and institutional structure of the governance regime from the point of view of its potential to counter corruption and/or generate corruption.

I. LEVELS OF CORRUPTIN AND IMPACT ON SOCIETAL SECTORS

Public opinion polls on the phenomenon of corruption reveal useful information regarding corruption levels, attitudes, mind-set, and expectations of people with regard to corruption. Assessing corruption by taking into consideration different perspectives and aspects of it allows for a more well-rounded understanding of this phenomenon and the extent of its intrusion in state institutions, public governance and society in general.

An essential part of this corruption assessment report are the results and findings of a national survey carried out in the period February-March 2014.

The survey was based on the Corruption Monitoring System methodology (Figure 1: Principle corruption assessment indicators from the Corruption Monitoring System), which was also employed for two similar national surveys in eight Southeast European countries, including Albania, under the framework of SELDI in 2001 and 2002. Despite the large gap in years, the results allow for an assessment in the dynamics and trends of the main corruption indicators. The survey was carried out on a sample of 1000 respondents through face-to-face interviews.

The main indicators obtained by this survey come in the form of index which may include one or more research questions, and takes on a value from 0 to 10. The closer the value is to 10, the more negative the assessment of corruption is, whereas the opposite holds true for values closer to 0.

Figure 1: Principle corruption assessment indicators from the Corruption Monitoring System
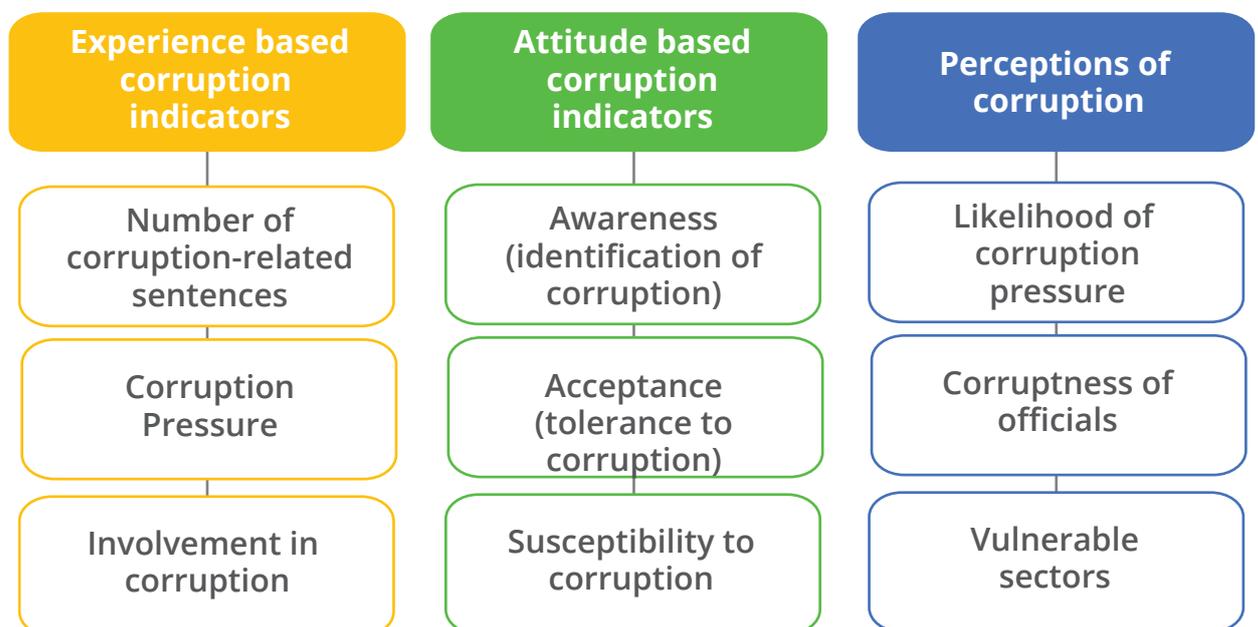
Figure 2: Interaction between corruption indicators
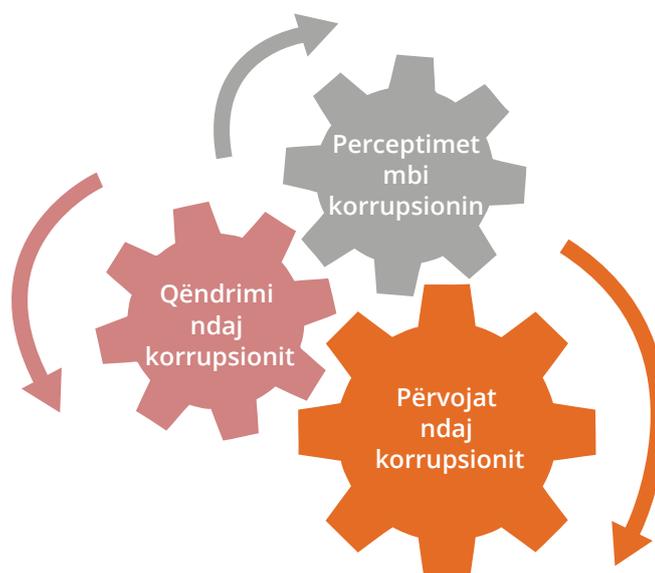
1.1   Corruption indexes

When assessing corruption in a particular country several conditions should be taken into consideration, such as for example the general socio-economic background of the country or other prominent problems the country faces, which in turn might be correlated to the level of corruption in the given country. When asked about the top three paramount problems in Albania today, 66% of the respondents, which make up the majority, indicated corruption, 56% indicated unemployment and 40% and 38% indicated crime and low incomes respectively (Figure 3). Thus, the majority of the respondents report corruption to be the most paramount problem in Albania, surpassing other common issues such as for example unemployment or low incomes, which have a more direct impact on the life of the respondent and are thus easier to quantify or think of.

Figure 3: As you see it, which are the three paramount problems in Albania today?

Source: SELDI Corruption Monitoring System
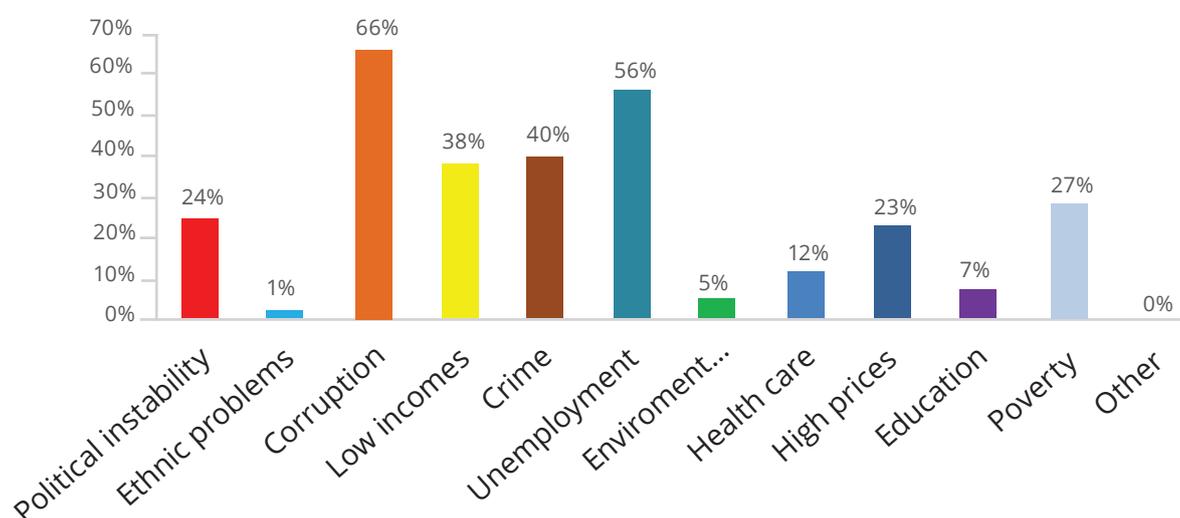
As seen from the figure below (Figure 4), 64 % of the survey participants are highly aware of the issues regarding corruption in Albania. In the other hand, this result is in the same line with the result about the paramount problem in Albania, where 66 % of the respondents indicated corruption.

Figure 4: Awareness (identification) of common corruption practices (2014)

(% of the population18+ identifying common corruption practices- all (high), many (moderate), and few (low))
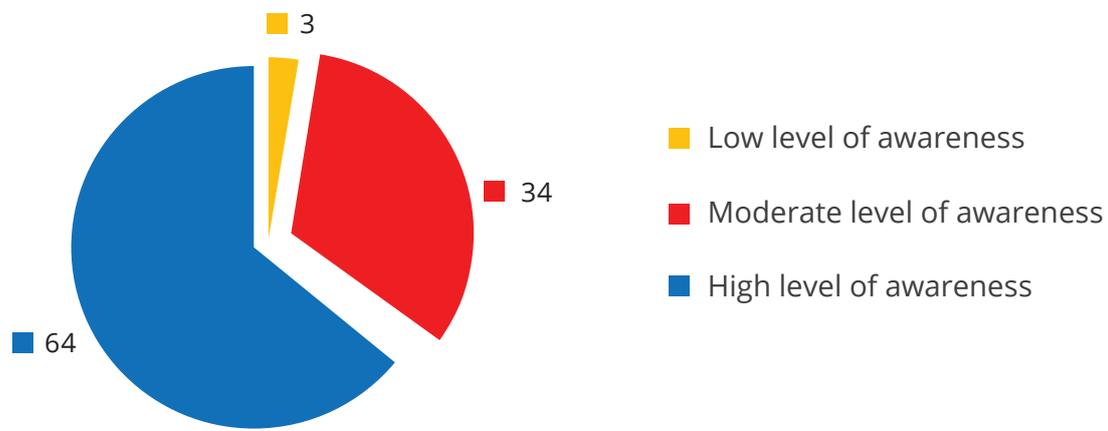
Source: SELDI Corruption Monitoring System

The general perception on corruption might have also been formed based on pompous media coverage of scandals of political corruption rather than on the citizens' experience or knowledge of bribery incidences.. When asked about the basis on which their assessment of corruption proliferation was formed, 29% of the respondents indicated their personal experience and 35% indicated media information (Figure 5). The share of people who base their assessment on theirs or other people they know experiences, constitutes for half of the respondents, indicating thus high levels of experienced corruption incidences.

Figure 5: Your assessment of corruption proliferation in Albania has been formed mainly on the basis of:
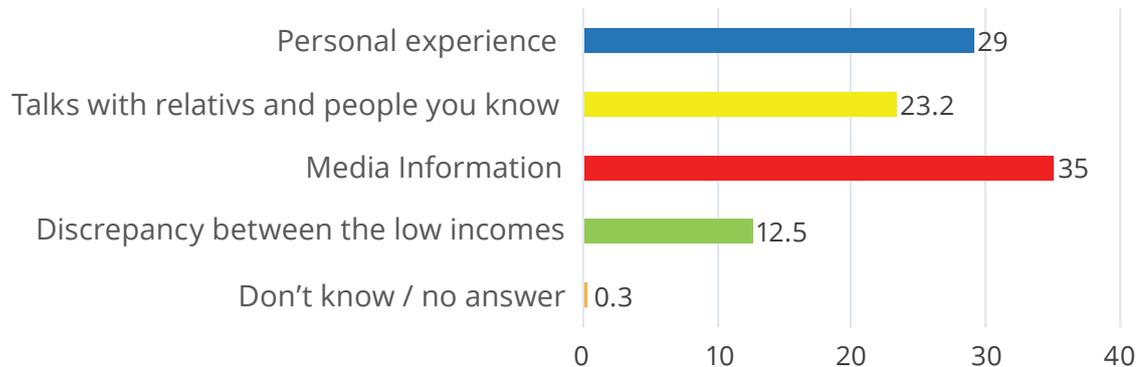
Source: SELDI Corruption Monitoring System

1.2 Spread and dynamics of corruption
1.2.1 Corruption pressure and Involvement in Corrupt Practices

The corruption monitoring systems makes use of compound indices to assess attitudes, spread, dynamics and other characteristics of corruption in a specific country. When assessing the spread of corruption one has to take into consideration two distinct indicators: potential corruption and factual corruption, which are connected together in that they are part of a more lengthy process, namely the corruption transaction. Potential corruption takes place in the first stage of corruption transaction, when the citizen first comes into contact with a public official, who exerts corruption pressure by demanding cash, gifts or favors or showing signs that they expected such things. Potential corruption in this report is measured by the corruption pressure index, which reports the frequency of cases when respondents were asked for cash, a gift, or a favor or were showed signs that they were expected to provide cash, gifts or favors to have their problem solved. This index measures thus the incidence of attempts by public officials to exert direct or indirect pressure on citizens in order to obtain money, gifts, or favors.

Potential corruption is different from factual corruption, which measures the incidence of cases in which the corruption transaction was carried out and the bribe was paid. These two stages of the corruption transaction might be correlated in that those higher levels of potential corruption, thus corruption pressure, might lead to more cases of actual corruption, or said differently, involvement in corruption practices. Actual corruption in this report is measured by the involvement in corruption index, which records the frequency of cases in which citizens provided cash, gifts or favor to an official in the past year. The index reflects thus the self-assessed involvement of the respondents in various forms of corrupt behavior (bribery).

While the index dynamics of corruption pressure and involvement in corruption do not display any particular trend, except for a slight decline since 2001 in the involvement in corrupt practices index which stays at 2.1, it might be more useful to look at the share of the population who report to have experienced corruption pressure or to have been involved in corrupt practices over the past year.

Figure 5: Your assessment of corruption proliferation in Albania has been formed mainly on the basis of:
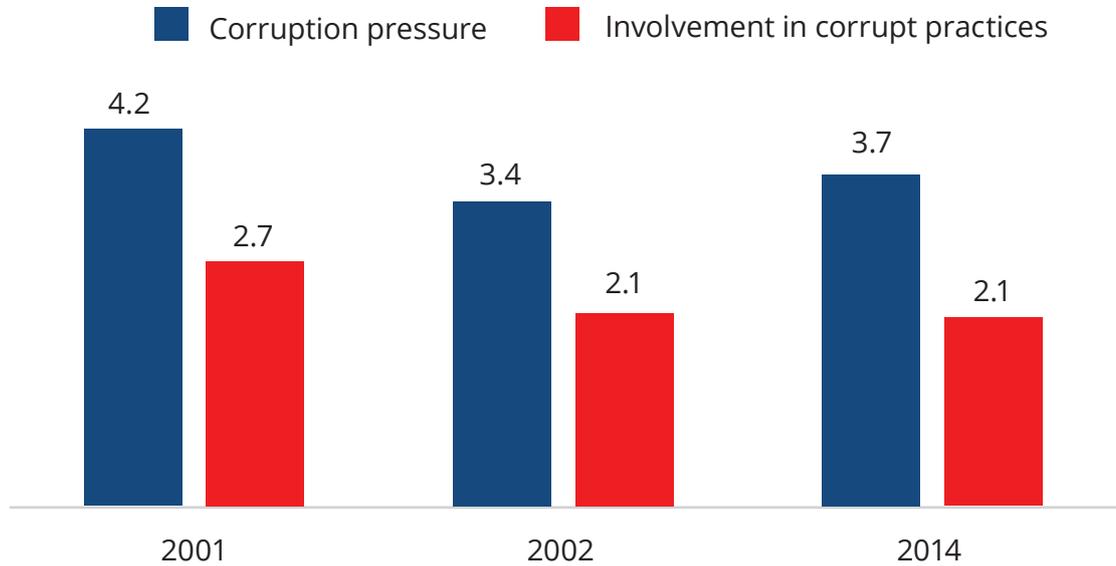
Source: SELDI/CSD Corruption Monitoring System, 2014

When looking at the share of population who report to having experienced corruption pressure, the overall share has been declining from 72.8 % in 2001, to 61.9% in 2002 to 45.3% in 2014 (Figure 7). The same trend holds true for involvement in corrupt practices as well, with a smaller share of population reporting to have been involved. However, these results might result misleading if we are not to take into account the significantly higher share of people reporting to not have had contact at all with a public official during the past year in the 2014 survey, compared to the previous ones. This might have come as a result of technologic advancements and upgrades which have reduced contact with public officials in more recent years. Thus the reduction in contact with public officials might be the reason why overall, the share of population reporting to have experienced pressure or been involved is higher.

Figure 7: Corruption pressure and involvement in corruption

(% of the population 18+ who have been asked to give and have given a brive (money, favour, gift) in the last year)
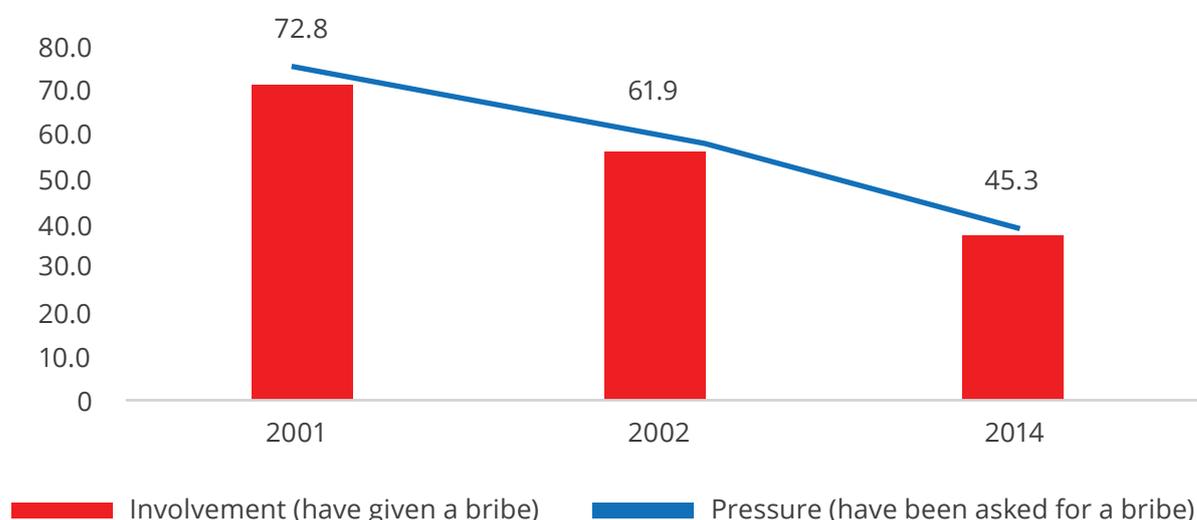
Source: SELDI Corruption Monitoring System

Figure 8 presents the share of population who has given a bribe with or without corruption pressure. The share of the population who has given bribe with corruption pressure has been declining from 2001. The same trend of declining is followed with the share of the population, who has given a bribe without corruption pressure. The overall share of population, who has given a bribe, has been declined since 2001.

Figure 8: Involvement in corruption with or without corruption pressure

(% of the population 18+, who have given a bribe with or without corruption pressure
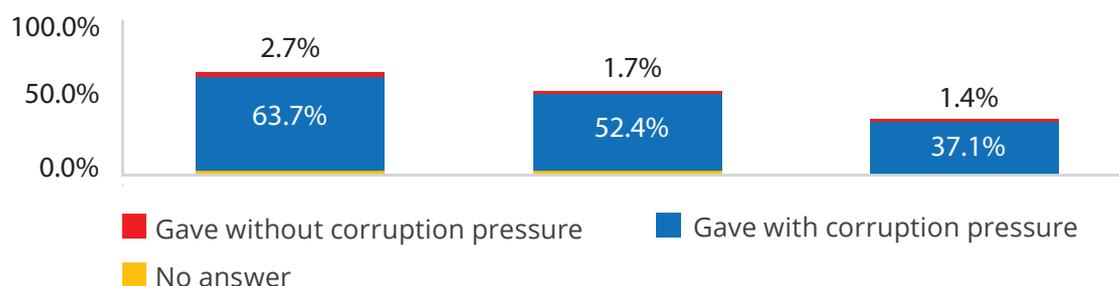
Source: SELDI Corruption Monitoring System

When accounting only for the share of population who have had contact in the past year with a public official, the share of population who report to have had contact with the administration in the past year and report to have experienced corruption pressure, is actually higher in 2014. Thus, from the people who do have contact with the administration, a larger proportion of them report to experience corruption pressure in 2014 compared to the previous years. The same holds true for involvement in corrupt practices, where of all people, who have contact with public officials, 74% report to have given a bribe compared to 58% in 2002 and 68% in 2001.

This shows that, while reduction in contact with public officials might have contributed to a smaller share of people experiencing corruption pressure or being involved in corrupt cases, the chances that one experiences pressure or becomes involved in corruption when he/she comes in contact with public officials, are higher in 2014 (Figure 9).

Figure 9: Share of population who had contact with public officials and experienced corruption
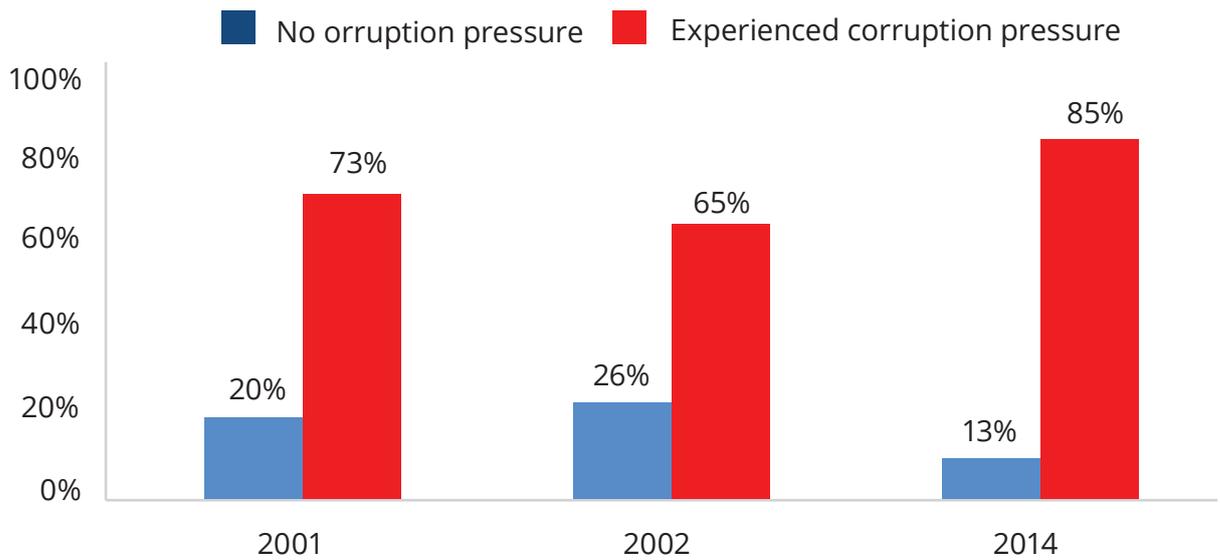
Source: SELDI Corruption Monitoring System

Figure 10: Share of population who had contact with public officials and became involved in corrupt practices
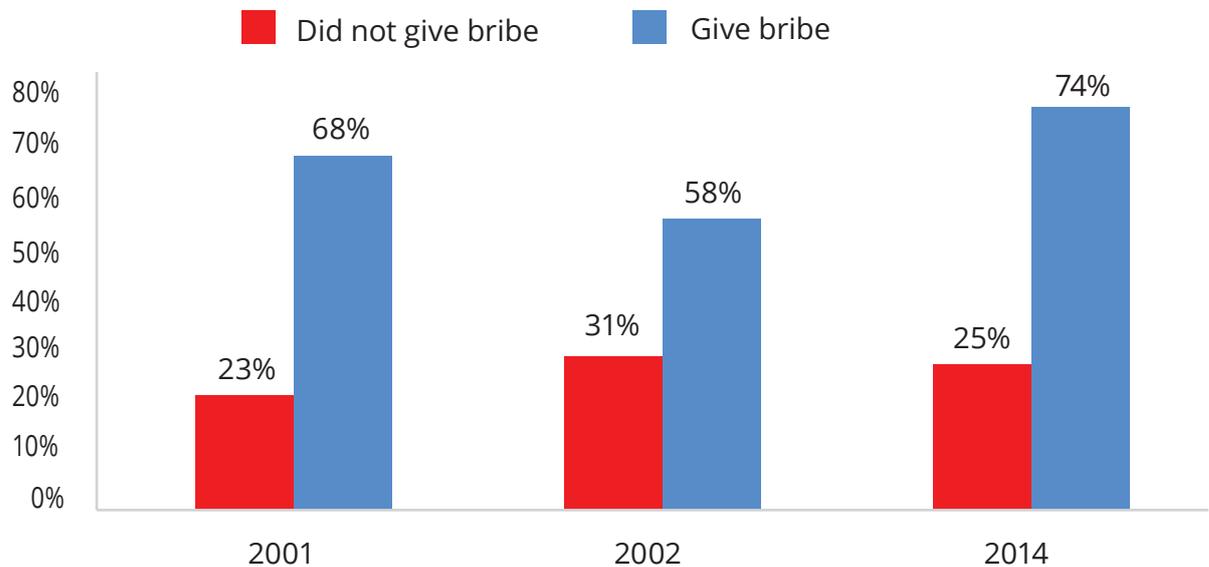
Source: SELDI Corruption Monitoring System

1.2.2 Assessment of spread of Corruption

Perceptions on the spread of corruption provide information about the citizens' assessments of the spread of corrupt practices among public sector employees. While corruption pressure (potential corruption) and involvement in corruption (actual corruption) report actual incidence, the spread of corruption index reflects the assessments, perceptions, opinions of the citizens, which are based on their subjective assessment and knowledge of such cases. The index ranges from the lowest 0 (nobody from the public administration is involved in corruption) to the highest possible 10 (almost everybody from the public administration is involved in corruption).

The index has been rising, and in 2014 it is reported at 7.4, which is much higher than the 2.1 score of the actual corruption indicator. As it is usually the case, perceptions on the spread of corruption are higher than actual corruption transactions, which might indicate that citizens might also have inflated beliefs about the acceptability (and exercise) of corruption in general, which in turn might lead to them seeing corruption as more acceptable and thus be more disposed to engage in corrupt practices (Figure 11).

Figure 11: Spread of corruption
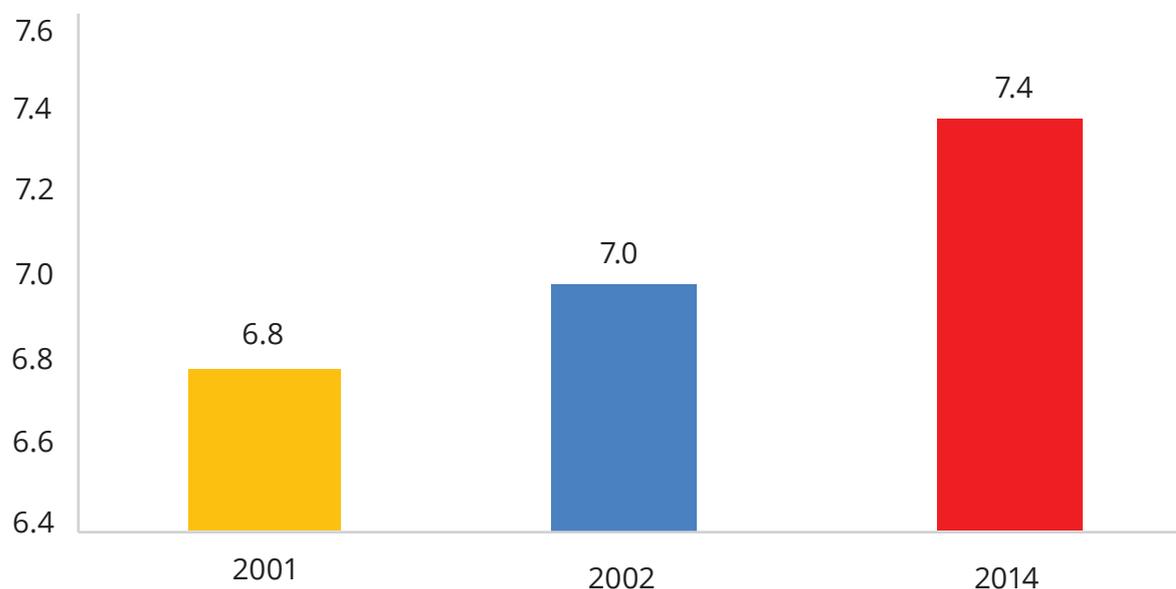
Source: SELDI Corruption Monitoring System

1.3   Attitudes towards corruption
1.3.1   Principal acceptability and susceptibility of corruption

Attitudes towards corruption are an important indicator of the mind-set of the people in a country regarding the phenomenon of corruption. Hence, the more acceptable corruption is, the more likely it is than people engage in petty corruption such as bribery. It has been long acknowledged that briberies can be seen as a "tip", a reward for a service. This is sometimes the case also in Albania where there is a fine line between a tip for the service and bribery. In this report attitudes towards corruption are traced through two indices acceptability in principle and susceptibility to corruption.
The percentage of the population that accepts the corruption has been declined compared to 2001. In 2014 it is 51 % who accept the corruption, compared to 37 % in 2002 and 53 % in 2001 (Figure 12).

Figure 12: Acceptability of corruption

(% of the population 18+, who accept or do not accept different forms of corrupt behaviour)
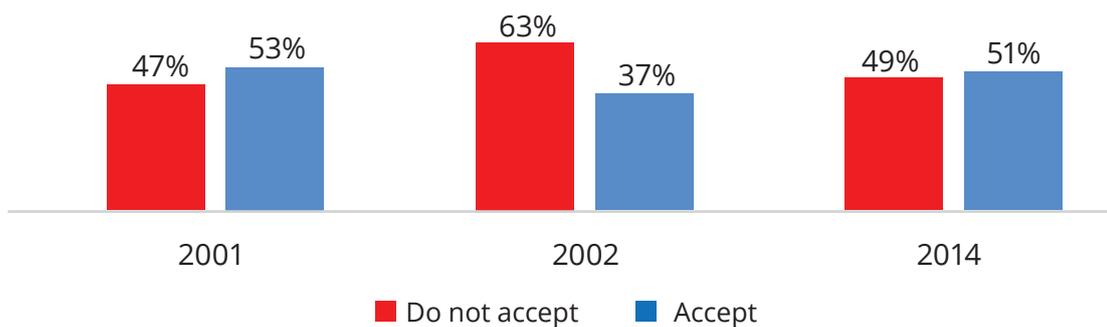
Source: SELDI Corruption Monitoring System

In terms of the share of population who report to being susceptible to corruption (would give and accept bribes), not susceptible to corruption and mixed behavior, the percentages as in the figure below (Figure 13). Regarding the shares of susceptibility to corruption, it looks that this year has been an improvement (2014) compared to 2002.

Figure 13: Susceptibility to corruption

(% of the population 18+ that would give and/or accept a bribe in the role of citizen and/or official)
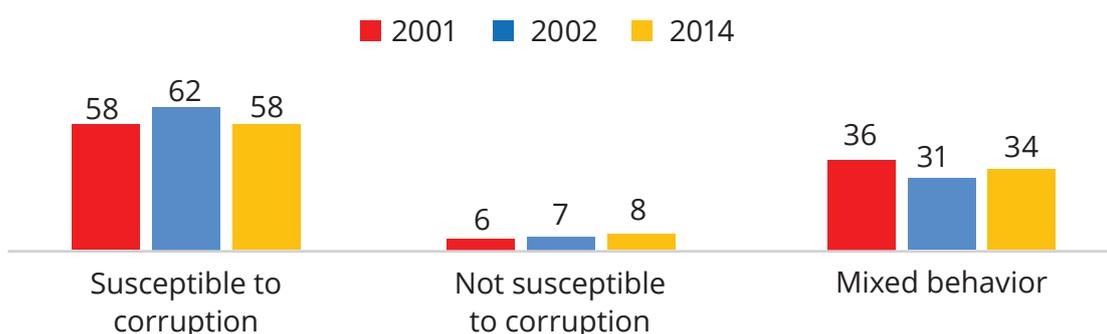
Source: SELDI Corruption Monitoring System

In terms of the perceptions of the likelihood of corruption pressure, as seen from the below figure, the share of population in 2014 that consider the corruption pressure very likely, is 84 %.

Figure 14: Perceptions of the likelihood of corruption pressure (%)

(% of the population 18+ considering corruption pressure "very likely" and "likely" v/s "not very likely" and "not likely at all")
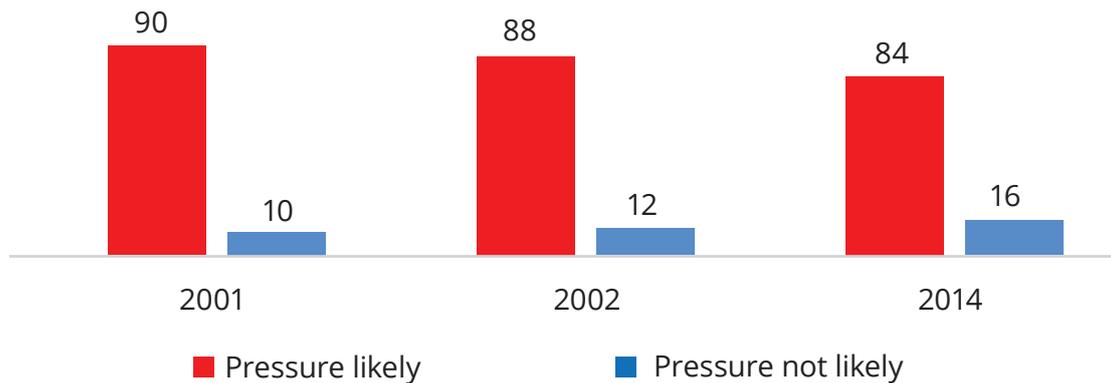
Source: SELDI Corruption Monitoring System

1.3.2   Practical efficiency of corrupt practices

The practical efficiency of corrupt practices index shows citizens' assessments of the extent to which corruption is an efficient means of solving personal problems, i.e. it assesses whether corruption pays off. The index ranges from 0 (not likely at all) to 10 (very likely).

This index has been improving from 7.4 in 2001, to 7.0 in 2002 to 6.3 in 2014, which indicates that citizens believe at a lesser extent that corruption pays off.

1.4   Perceptions on corruption
1.4.1   Corruption of public officials

On a scale from 1 to 4, where 1 is "almost no one is involved" and 4 is "almost every-body is involved", respondents perceive as the most corrupted officials in 2014, judges and customs officers. With the same scale (3.3) is perceived the public prose-cutors, administration officials in the judicial system and political party and coalition leaders. It seems that for customs officers, the perception has been slightly improved compared to 2001 and 2002 (Figure 15).

In the other hand, it seems that the least perceived corrupted officials in 2014 are journalist and teachers on a scale of 2.2 (Figure 16).

Figure 15: Perceptions of corruptness of public officials – most corrupted

Officials perceived as most corrupted on a scale from 1 to 4, where 1 is "Almost noone is involved" and 4 is "Almost everybody is involved"
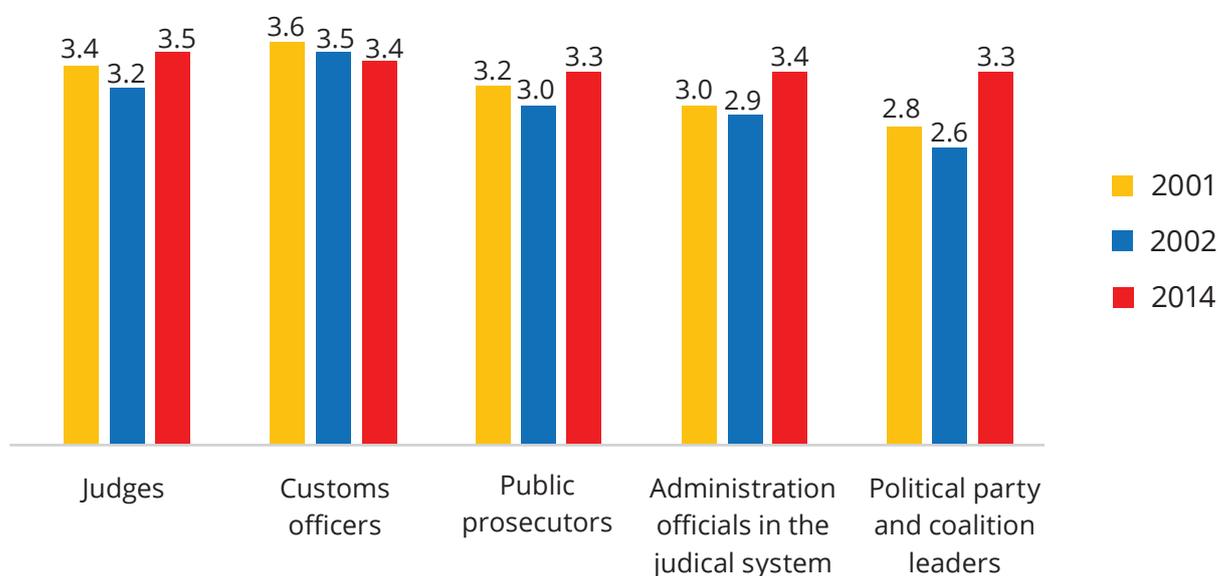
Source: SELDI Corruption Monitoring System

Figure 16: Perceptions of corruptness of public officials – least corrupted

Officials perceived as least corrupted on a scale from 1 to 4, where 1 is "Almost noone is involved" and 4 is "Almost everybody is involved"
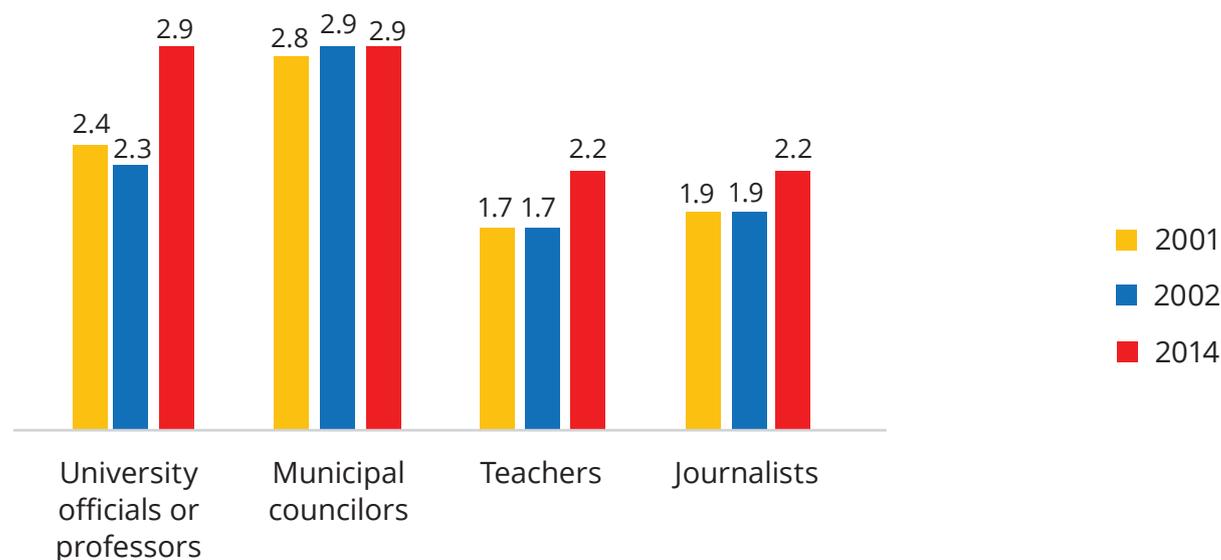
Source: SELDI Corruption Monitoring System

From the Figure17, in which it is compared the perceptions of corruptness of public officials between 2002 and 2014, it looks that almost all the included officials are more corrupted in 2014 compared to 2002, in addition of custom officer, tax officials and ministries. It should be noted that this is a comparison between 2014 and 2014, and shows the improvement; even in 2014 the custom officers stand to be among the most corrupted officials.

Figure 17: Perceptions of corruptness of public officials – change in perception between 2002 and 2014

Change in perception between 2002 and 2014 (positive values represent increase in corruption, negative - decrease)

Official	Change
Judges	0.32
Customs officers	-0.10
Public prosecutors	0.29
Administration officials in the judical system	0.35
Political party and coalition leaders	0.64
Ministers	0.00
Doctors	0.44
Tax officials	-0.11
Investigating officers	0.39
Officials at ministries	0.20
Members of parliament	0.22
Local political leaders	0.60
Lawyers	0.25
Police officers	0.15
Municipal officials	0.12
University officials or professors	0.61
Municipal councilors	0.01
Teachers	0.55
Journalists	0.28

Source: SELDI Corruption Monitoring System

1.4.2   Corruption expectations.

The corruption expectations index registers citizens' assessments of the capacity (potential) of their societies to cope with the problem of corruption, and the values range from 0 (corruption can be eradicated) to the highest possible 10 (corruption cannot be reduced).

Figure 18: Corruption Expectations
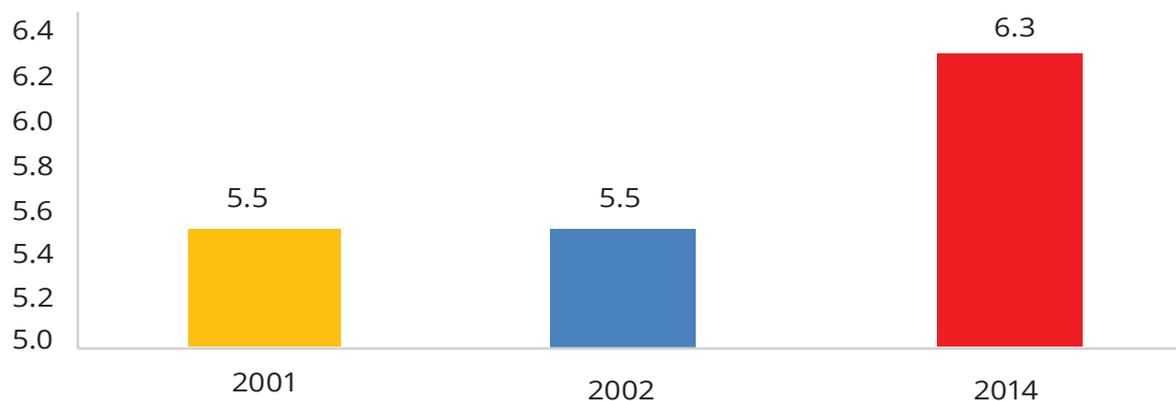
Source: SELDI Corruption Monitoring System

Corruption expectations seem to have worsened in 2014, increasing to a score of 6.3 compared to 5.5 in the previous years. This result is in line also with the previous results on the spread of corruption, which had worsened in 2014, or the increase in corruption incidence when one has contact with a public official. The more people think that corruption is widespread, the more inclined they are to have low expectations for corruption reductions.

1.5   Perceptions of feasibility of policy responses to corruption

The respondents have been asked about their perception on the possibility feasibility of policy responses to corruption. In 2014, compared to 2001 and 2002 results that the share of population that think that the corruption can be substantially reduced or eradicated, has been declining. On the other hand, the share of population that perceives that corruption cab not be substantially reduced has been increasing. This result is in line with the result above on the corruption expectation.

Figure 19: Perceptions of feasibility of policy responses to corruption (%)

■ Corruption can be substentially reduced or eradicated
■ Corruption can not be substentially reduced
■ Don't know / No answer
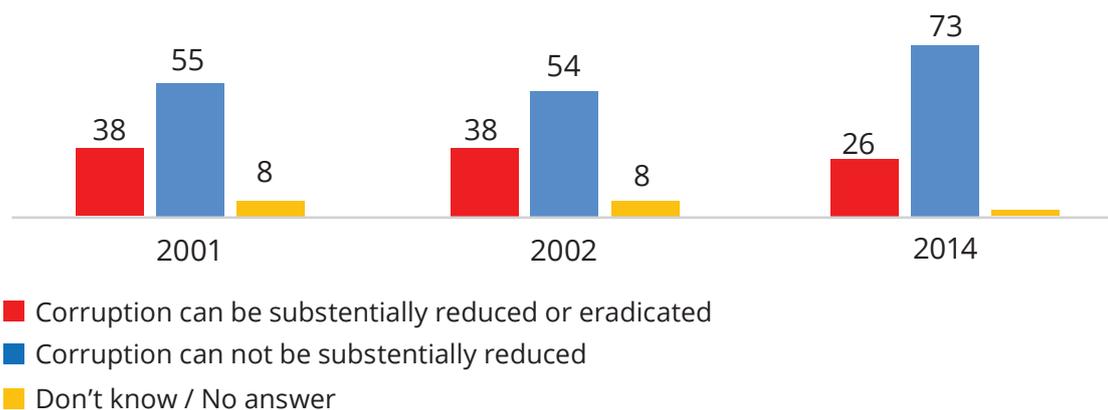
II. ANTICORRUPTION POLICIES AND REGULATORY FRAMEWORK

2.1   Currently applicable national strategies, action plans, programmes

In June 2013 Albania held the General National Elections, which led to a change of the political party in power. The second half of 2013 has been a period of continuous changes in terms of legislative and institutional reforms and the beginning of 2014 followed the same path.
A National Coordinator for Anti-Corruption (NCAC) was appointed in November 2013, to coordinate anti-corruption activities of state institutions and bodies and independent institutions at central and local level. A network of focal points in all line ministries and independent institutions was established.

The new Anti-Corruption Strategy (2014-2020) was prepared with the technical assistance of the OSCE presence in Albania, and is much shorter and simpler than the previous strategy. This was done on purpose as the strategy was thought to be a short and clearly oriented strategic document, with precise and clear objectives. Now, this strategy and action plans remain to be adopted.

Some of the positive novelties in the new Strategy:

A special focus is given to the harmonization of statistics and track records on corruption and organized crime between law enforcement agencies.

The strategy focuses in three main approaches: preventive, sanctioning and raising awareness.

More focus and attention is given to transparency and public accountability.

For the first time the strategy foresees the creation of the relevant legal framework on whistleblowers, which is currently missing.

Public complains are seen as a crucial element in the fight against corruption.

An overall assessment of the anti-corruption legislation and the institutions in charge of implementing anti-corruption legislation, and a corruption proofing of legislation, a practice which will be used for the first time in Albania.

Systematic analyses of risk, corruption trends, and effectiveness of anti-corruption measures and monitoring of the implementation of anti-corruption measures.

An anti-corruption policy in local units/local government is a priority: local government should not be regarded as detached from the central government.

2.2   Developments in Regulatory Framework

The new Civil Service Law became effective in February. By March, the government adopted 10 by-laws, covering significant issues such as recruitment, transfer, promotion, dismissal, the description and classification of job positions and the new senior management staff.[1]

The revised Law on access to information on official documents was drafted in May and passed into parliament in September 2014[2], introduced administrative sanctions and procedures for the examination of complaints to the Commission for the Right to Information and Personal Data Protection.

In May, 2014 two amended important laws passed into parliament: The law "on the declaration and audit of assets, financial obligations of elected persons and certain public officials"[3] and the law "on the prevention of conflicts of interest in the exercise of public functions"[4]. The revised law extends the number and frequency of checks by the High Inspectorate for Declaration and Audit of Assets and Prevention of Conflict of Interest (HIDAACI) and requires public officials to deposit assets exceeding €10700 in a bank.[5]

Draft-Law on Public Information and Consultation, drafted in December 2013

The Draft Law for Public Information and Consultation, drafted in December 2013 and approved in principle in the Legal Issues, Public Administration and Human Rights Committee on September, 2014[6], stipulates the obligation of the public bodies/institutions to priory consult with groups of interest during the process of drafting and approving of draft-laws.

The Minister of State for Local Government in the capacity of the National Anti-Corruption Coordinator, in close cooperation with the Ministry of Justice, drafted in May 2014, the law for whistleblowers in cases of corruption and protection both in the public and private sectors. New legislation on protection for whistle-blowers is yet to be adopted.[7]

2.3   Changes to national anticorruption policies over the past three years

During the last three years, the Albanian governments have made some amendment with regard to the corruption legislation. In March 2012, the government passed amended legislation related to corruption, and the amendments were firstly, in the Criminal Code where they consisted of addressing cases of bribery by foreign public officials and it was introduced harsher sentencing for corruption in the private sector. The Anti-Mafia Law was amended in March, extending the seizure or confiscation of illicit assets deriving from corruption offences to all crimes that fall under the new competences of the Serious Crimes Court.

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1 http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-albania-progress-report_en.pdf
2 http://www.hidaa.gov.al/ligji-nr/
3 http://www.hidaa.gov.al/ligji-nr-9367/
4 file:///C:/Users/Celsius/Desktop/SELDI%20TO%20BE%20DELIVERED/20141008-albania-progress-report_en%20(1).pdf
5 http://www.parlament.al/web/Komisioni_per_Ceshtjet_Ligjore_Ad-
   ministraten_Publike_dhe_te_Drejtat_e_Njeriut_miraton_ne_par_17902_1.php
6 file:///C:/Users/Celsius/Desktop/SELDI%20TO%20BE%20DELIVERED/20141008-albania-progress-report_en%20(1).pdf
7 http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-albania-progress-report_en.pdf

The Law on the State Police was amended in September, to provide for the creation of a National Bureau of Investigation, tasked with investigating corruption- related offences.

In March 2014, the Criminal Procedure Code was also amended to clarify the procedure for lifting the immunity for high level public officials and judges from searches of their house and person, and from arrest.

2.4   Assessment of the regulatory environment for anticorruption.

The first law that addressed corruptive affairs is Criminal Code of the Republic of Albania adopted in 1995. This law addressed issues such as Proposals for remuneration made to officials holding a public office, Abuse of office, Misusing state contributions, etc. The Criminal Code has been amended many times which resulted in lack of clarity which would hamper the pace and effectiveness of the implementation process.

Albania has adopted in 2008 a law "On the Prevention of Money laundering and Financing of Terrorism". Furthermore, other laws that address corruptive issues include: the Law on Prevention of Conflicts of Interest in the Exercise of Public Functions, the Law on the Rules of Ethics in the Public Administration, Law on Competition Protection first adopted in 2003, Law on Public Procurement, and Law on Asset Declaration etc.

2.5   Criminal law and procedure

Various forms of corruption are incriminated in different ways depending of the type of corruption, severity and other circumstances. Bribery is one of the most prominent forms of corruption in Albania and it is sanctioned with a sentence raging between six months to three years, or in case it involves solicitation of bribes, it can penalize up to 12 years of imprisonment depending on the sector it occurred. The Law on Prevention of Conflicts of Interest in the Exercise of Public Functions prohibits a public employee to accept gifts, money or services from performing their service duties, which they should be performing regardless of these advances. There is currently no regulation or law provision that addresses clientelism, nepotism, or trade influence therefore these phenomena are widely spread, especially in terms of political affiliations. The Global Competitiveness Report 2009-2010 also reports widespread favoritism by government officials when making contract decisions.

2.6   Civil law and procedure

Albania is the country where the highest percentage of companies in the region is expected to give gifts in order to get a government contract (World Bank & IFC, 2007). The situation has positively changed as far the public bids are accessible for free on the Public Procurement Agency website, and the country now has one of the most transparent procurements systems in the region. In addition, the introduction of e-procurement made the situation better. The latest report from the Procurement Advocate suggests that there are problems in implementing the selection criteria and, according to the 2011 State Audit report, public procurement is the sector in which the highest number of abuse cases was recorded.

The 2013 Progress Report on Albania of the European Commission, states that regarding the independence and impartiality of the judiciary, the Law on the High Court, which entered into force on the 1st of October, increases the number of judges from 17 to 19 with a view inter alia to setting up an administrative chamber and dealing more efficiently with the Court's workload. The law also introduces stricter conditions and criteria for the selection of judges and reduces the non-judiciary component of the Court's membership to a maximum of one quarter, thereby reinforcing the professional character of the High Court.

2.7   Other legislation intended to combat corruption.

Whistle blowing
The government has drafted a new law for whistleblowers which is expected to pass into parliament within 2014. New legislation on protection for whistle- blowers is yet to be adopted.[10]

Conflicts of interest
The law that covers conflicts of interests is the law "On the Prevention of Conflicts Of Interest in the Exercise of Public Functions ", amended the Law no. 44/2014 date 24.4.2014, which aims to guarantee an impartial and transparent decision-making in the best possible interest of the public and of its trust in public institutions through preventing conflicts between public interests and private ones of an official in the exercise of his functions.

Recommendations

To ensure the independence, transparency, accountability of the judiciary, essential legislation remains to be finalized or adopted, including constitutional amendments to depoliticize appointments to the High court. Some measures have taken place, such as the adoption of the Law on Judicial Administration, which led to lifting the immunity of court judges. This however, has not yet led to any specific anti-corruption cases. Legislative gaps still exist in some areas, such as monitoring local government corruption.
The new government has identified several objectives aiming to address legislative gaps to prevent and fight corruption. One of these is the review of the legislation for the prosecution of the financial corruption. Financial corruption can also be considered an economic crime and the income generated from financial corruptive practices are often invested abroad which calls for the close collaboration of local executive entities with foreign counterparts to investigate financial crime.
Furthermore, all public institutions should design draft-laws that use a methodology of corruption proofing of legislation. Moreover, legislation on assets declaration of public officials and on conflict of interest is argued by the new government to present problems with a legislative and administrative nature. There is no factual information, statistics behind these measures.

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10 http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-albania-progress-report_en.pdf

III. INSTITUTIONAL PRACTICE AND ENFORCEMENT OF THE LAW

3.1   Anticorruption mechanisms in the legislature

There is no an Anticorruption Committee in the Parliament but the corruption and anticorruption issues, are involved into other committees. Concerning to the rules for the parliament members, there is no comprehensive written code of conduct for MPs. However does exist a Regulation of the Parliamentary of the Republic of Albania which consist of the following points: the organization and the functioning of the parliamentary; making procedure; the parliamentary control; the transparency of the parliamentary activities; nomination, election and dismissal of bodies; the interpretation, the changes of rules and the lifting of immunity; the parliamentary services.[11] Parliament adopts the draft decision "On some changes to the decision no. 166, dated 16.12.2004 "The Rules of Procedure of the Parliament of Albania" amended"[12]

The transparency of the legislative process has been increased. Improvements have been made in the context of the involvement of civil society and interested groups in the legislative process.[13]

Regarding to the provisions against corruption in the funding of political parties, Constitution of Republic of Albania approved by referendum in 1998, at article 9/3 provides that "financial sources of political parties and their expenditures should be always public". This is a very important principle for money and politics that all financial sources and the way political parties make use of them for electoral purposes should be disclosed and make always public. Law "On Political Parties" Nr. 8580, dated 17.2.2000, at Chapter II, Article 17 provides that Political Parties do have financial and material resources, in order to carry out their goals and activities.

3.2 National level control

3.2   National level control bodies contributing to the fight against corruption

With regard to the fighting against corruption, there exist some other several bodies as below.

The ombudsman aims to make recommendations and propose measures when observing human rights violations by the public administration. The most common issues in Albania concern citizen complaints of police abuse of power, lack of enforcement of court judgments in civil cases, and land disputes.[14]

The Public Procurement Agency (PPA) is the institution which deals with the supervision of the public procurement system, specifically: monitors the execution of the public procurement procedures, submits proposals for procurement regulations to the Council of Ministers, promotes and organizes training of central and local government officials engaged in public procurement activities, edits and issues a Public Procurement Bulletin, as described in the procurement regulations etc.

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11 http://www.parlament.al/web/Parliament_adopts_the_draft_deci-
    sion_On_some_changes_to_the_decision_no_166_dated_16_12_2004_10678_2.php
12 http://www.masterparlamenti.it/public/File/regolamento%20parlamentare%20Albania.pdf
13 http://ec.europa.eu/enlargement/pdf/key_documents/2013/package/brochures/albania_2013.pdf
14 Global Integrity, 2010

Public Procurement Commission (PPC) is a specific quasi-judicial state body, with jurisdiction of providing legal protection in public procurement. The PPC is established by the Public Procurement Law, as the highest body in procurement system, which provides legal protection for tenders and public interest at all stages of the public procurement procedure, concessions, auctions and licenses of mine.

The High Inspectorate for the Declaration and Audit of Assets and Conflicts of Interest (HIDAACI) has been established in 2003 as an independent body in charge of collecting public officials' assets declaration and identifying cases of conflict of interest. The Inspectorate's main concern is to identify wrong or misleading information in the declarations.

The Supreme State Audit (SSA) of the Republic of Albania was established in 1992 as a parliamentary institution independent from government. In 1995, the State Audit Institution was given the power to fine audited. When the Audit Act was adopted in December 1997, the institution became a collegiate authority to be governed by a board of three members. At the end of 1998, the current constitution was adopted, but its provisions do not indicate the type of State Audit Institution it should be (a court model or an office model). Following the latest amendment of the 1997 Audit Act in April 2000, the State Audit Institution is now a monocratic, office model, audit institution. Internal reorganization took place accordingly. The audit activities are being led by the heads of the four audit departments.[15]

3.3   General public administration

Law No. 90.152/2013 on Civil Servants aims at establishing a stable and professional civil service, based on merits, moral integrity, political neutrality and accountability. It regulates the juridical relationship between the states and civil servants and determines the management rules of the civil service.

There is a specific law concerning the financial and property disclosure: Law on the Declaration and Audit of Assets, Financial Obligations of Elected Persons and Certain Public Officials, N0. 9049 dated 10 April 2003. The purpose of this law is the determination of rules for the declaration and audit of assets, the legitimacy of the sources of their creation, financial obligations for elected persons, public employees, their families and persons related to them.

There is a Law no. 9131 dated 8 September 2003 on "The Rules of Ethics in The Public Administration", which aims to set rules of conduct of employees of the public administration, according to the required standards, to help them achieve these standards and to make the public aware of the conduct that an employee of the public administration should have.

The law against nepotism was adopted in 2004; however, it was immediately considered unconstitutional and abolished.[16] This year was reviewed the law on status of civil servant (Law, No. 8549, dated 11.11.1999). It was passed by the parliament in 2013 but its implementation was postponed for the 2014.

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15 Anti-Corruption Measures In South-Eastern Europe, Country reviews and priorities for reform, Stability Pact Anti-Corruption Initiative
16 http://www.business-anti-corruption.com/country-profiles/europe-central-asia/albania/show-all.aspx

3.4   Law enforcement

The police theoretically play an important role in the law enforcement. According to the US Department of State 2012, police officers in Albania do not enforce the law equally. Corruption and impunity within the Albanian police is a persistent problem, aggravated by the low salaries of police officers. Similarly, Transparency International's Global Corruption Barometer 2013 reveals that Albanian households consider the police among the most corrupt public institutions in the country.[17] Currently, the new government has put in its program priorities the police as a key factor for combating corruption. The Law on the State Police was amended in September 2014.

In the context of investigating and prosecuting corruption crimes and internal corruption, there exist specialized bodies as follow.

Port Authority Security Force which operates in accordance with the International Code for the Security of Ships and Ports, International Maritime Organization (IMO) SOLAS convention, 74, as amended by Law no. 9281, dated 09.23.2004 "On the ship and port security" and other legal acts in force.

Border and Migration Department which is under the general Directory of Safety. It is officially responsible for supervising and controlling the border, checking the circulation of persons, vehicles and goods through the state border. Investigations & Operations Department which is under the General Directorate of Custom. It consists of the Enforcement Directorate/Debt, Anti-Trafficking Department, Investigation Directorate, Department of Control After clearance, Directorate of Information, Risk Analysis Directorate, and Intellectual Property Department.

National Bureau of Investigation (NBI) which is a special structure in the State policy, which performs investigative activities, in accordance with the criminal law and criminal procedure, for criminal offenses with regard to corruption and criminal activities.[18]

Anti-trafficking Unit operates based on the Prime Minister's Order no. 203, of 19/12/2005, which monitors the activities of institutions engaged in implementing the National Strategy on Fight against Trafficking in Human Beings, coordinates the work with these institutions, etc.[19]

3.5   Quantitative indicators for the enforcement of anticorruption provisions of the law

The main source of statistical information, are the courts of first instance, courts of appeals and the Supreme Court. Relationships with these institutions, along with the legal obligations by the law on the "Organization of Judiciary" and the law "The Prosecution", have been regulated between regulations acts such as orders and instructions of the Minister of Justice. Another important statistical source that serves to reflect the data provided by preliminary investigations and their dynamics is statistical evidence that periodically is provided by the Ministry of Justice. In addition, other sources might be used for extra information or data such as INSTAT.[20]

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17 http://www.business-anti-corruption.com/country-profiles/europe-central-asia/albania/corruption-levels/police.aspx
18 http://www.punetebrendshme.gov.al/files/documents_files/LIGJI_I_POLICISE_SE_SHTETIT_-_2014.pdf
19 http://www.dsdc.gov.al/dsdc/pub/crosscutting_str_fight_against_organised_crime_177_1.pdf
20 http://www.drejtesia.gov.al/al/dokumente/statistika

As following, are presented some data according corruption and anticorruption issues.

Table 1: Number of civil lawsuits finished with reviewing the first district courts

Number of civil lawsuits finished with reviewing the first district courts	2007	2008	2009	2010	2011
	41,818	50,714	59,060	53,106	61,696

Source: Ministry of Justice, Annual reports:
http://www.drejtesia.gov.al/al/dokumente/statistika

Recommendations

Albania needs to pay particular attention to the implementation of public administration reform, in particular regarding structural laws and administrative acts. Secondary legislation on the new Civil Service Law needs to be adopted and implemented swiftly.

The prevention and repression capacity and independence of law enforcement institutions need to be enhanced. The proper follow up of independent institutions' reports by the parliament needs to be ensured. The short-term challenge is to step up proactive investigations based on systematic risk assessment, as a prerequisite to building up a track record of effective prosecution at all levels, particularly in those areas where there is a strong public perception of corruption. Poor inter institutional cooperation, lack of human resources and weak budget planning and allocation remain a concern. Albania needs to update its judicial reform strategy and further promote the independence, efficiency and accountability of its judicial institutions. Overall, investigations continue to have a reactive, rather than proactive, nature and risk assessments for corruption are not carried out systematically. State institutions dealing with the fight against corruption remain vulnerable to political pressure and influence. It is particularly important to ensure transparent and merit-based criteria for appointments and dismissals.

IV. THE JUDICIARY IN ANTI-CORRUPTION

4.1   Status of the magistrates

Based on Law number 9877, dated 18.02.2008, "For the Organization of the Judiciary in the Republic of Albania" and on Article 135, point 1 of the Constitution of the Republic of Albania[22], the Judiciary in Albania is exercised by the Supreme Court and the Courts of Appeal and Courts of First Instance, and thus by the entirety of judges in these courts. Disciplinary proceedings against magistrates have led to a number of sanctions. Rules on the suspension and removal from office of members of the High Council of Justice were introduced, although concerns have been expressed on their expeditious adoption without including and consulting all relevant actors.

Judges of Courts of First Instance and Appeal[23]
Different appointment criteria apply to judges in the Courts of Appeal and First Instance and the judges in the Supreme Court. Albanian citizens can be appointed as judges in these courts if they meet the following general criteria: have full capacity to act, have higher legal education, have graduated from the School of Magistrates, have not been convicted by a final judicial verdict, etc. The judges of the Court of Serious Crimes (part of the Courts of First Instance) must have worked no less than 5 years in the Courts of First Instance, should have been noted for professional skills and have high ethical-moral values, should be have been evaluated with a "Very good" mark for their professional skills in the two most recent evaluations, and should have no disciplinary action taken upon them, that is still in power.
The judges of the Court of Appeals undergo the same appointment criteria, except for judges are required to have worked no less than 7 years in the Courts of First Instance for them to be appointed in the Courts of Appeal.

Judges of the Supreme Court [24]
To be selected as a judge in the Supreme Court, one must have a second level degree of higher education in law and must have worked either as a judge for not less than 13 years, of which at least, 5 years working as a judge at the Court of Appeal or one of the following: a lawyer with no less than 15 years of professional experience in public administration functions of the Assembly, Presidency administration, Council of Ministers, in the Ministries and independent institutions, in the Constitutional Court and the Supreme Court; prosecutor; lawyer; and lecturer or professor with a n academic degree "Doctor of science", or director and lecturer at the School of Magistrates.

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22 Constitution of the Republic of Albania, Article 135, as retrieved in January 2013 (http://www.parlament.al/web/pub/kushtetuta_perditesuar_15171_1.pdf)
23 Selection criteria for judges in Courts of Appeal and First Instance are specified in Article 11, Law no. 9877, dated 18.02.2008, "For the Organization of the Judiciary in the Republic of Albania", for more information please refer to:
Law no. 9877, dated 18.02.2008, (http://www.justice.gov.al/UserFiles/File/Legjisla-cioni_Brendshem_Web/LIGJI_PER_ORGANIZIMIN_E_PUSHTETIT_GJYQESOR.pdf)
Courts of the Republic of Albania, Appointment of judges in Courts of first instance and court of appeal, as seen in January 2014, (http://www.gjykata.gov.al/portal_main/Kushtet.aspx)
24 The criteria and procedure for the appointment of the judges of the Supreme Court are defined in law number 8588, dated 15.3.2000, "For the Organization and Functioning of the Supreme Court of the Republic of Albania", for more information please refer to:
Law number 8588, dated 15.3.2000, "For the Organization and Functioning of the Supreme Court of the Republic of Albania" http://www.justice.gov.al/UserFiles/File/Legjislacioni_Brendshem_Web/LIGJI_PER_GJYKATEN_E_LARTE.pdf
Regarding some changes in law number 8588, dated 15.3.2000 (http://80.78.70.231/pls/kuv/f?p=201:Lig-j:151/2013:30.05.2013

Except for these general criteria it is worth noting the changes that the law of the Supreme Court has undergone in law 2013 in terms of appointment criteria, following recommendations of EURALIUS III and UNIFEM,[25] to address issues of "conflict of interest" interfering with the appointment of judges in the Supreme Court.

4.2   Legal provisions and bodies dealing with corruption among magistrates

Legal provisions
Article 32 point d) of law number 9877, "For the organization of the Judiciary in the Republic of Albania" defines the disciplinary measures and the legal provisions regarding corruption among judges in Albania. Under this article, "benefiting in direct or indirect way gifts, favors, promises or special treatments, given because of the duty", is considered to be a serious disciplinary violation.[26]

Inspectorate of the judiciary at the High Council of Justice
Regarding bodies dealing with corruption, the High Council of Justice apart from being responsible for the appointment, transfer, removal, and education of magistrates, covers also the moral and professional evaluation, as well as controlling and monitoring the activities of the judges of the courts of first instance and courts of appeal. In July, amendments to the Law on the High Council of Justice, the Law on Administrative Courts and the Law on the School of Magistrates were adopted in an expeditious manner, outside a comprehensive and inclusive reform process based on wide consultations and under the guidance of the Venice Commission.[27]

Inspectorate of the Judiciary at the Ministry of Justice
There is a debate on whether the competences and responsibilities of this Inspectorate of the High Council of Justice overlap with those of the Inspectorate of the Judiciary at the Ministry of Justice. This is said to have brought ambiguity in specifying what distinct tasks each institution is supposed to carry out and consequently to have brought about ambiguous and uncoordinated monitoring of the judiciary. Also, many believe that the Ministry of Justice should not interfere, monitor and evaluate the judiciary because the executive and the judiciary should stay separate in order to ensure the independence of the latter and to diminish the influence that the executive might have in the judiciary. The High Council of Justice on the other hand is an independent body, separate from the government, which can supervise and monitor the Judiciary.

25 OSFA Monitoring Report on Implementation of the Justice Reform, 2013, (strAtegYhttp://www.soros.al/2010/foto/uploads/-File/Ersida/Ra-porti%20i%20Monitorimit%20te%20Strategjise%20%20se%20Drejtesise/Raporti%20per%20monitorimin%20e%20Strategjise%20Ndersektoriale%20te%20Drejtesise_2012.pdf)
26 Law no. 9877, dated 18.02.2008, Article 32 point d). (http://www.justice.gov.al/UserFiles/File/Legjisla-cioni_Brendshem_Web/LIGJI_PER_ORGANIZIMIN_E_PUSHTETIT_GJYQESOR.pdf)
27 http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-albania-progress-report_en.pdf

4.3   Provisions for immunity and protection against removal

In March, amendments to the Code of Criminal Procedure implementing the 2012 constitutional changes on restrictions to the immunities enjoyed by judges, MPs and other senior officials were approved. A broad review of the code is still underway.[28] In general, judges may not be removed from office unless they resign, reach retirement age (65 years old), convicted by the court, found to be physically or mentally disabled, or found to be professionally inadequate. In case of removal, the judge has the right to complain within 15 days from the date that this verdict notification was issued, in the Supreme Court.[29] In case they are given a disciplinary measure, they can complain in the Court of Appeal in Tirana.[30]

4.4   Statistics on disciplinary proceedings against judge son corruption grounds

The Ministry of Justice of the Republic of Albania publishes an annual report which contains summaries of all statistics this Ministry has gathered in that year. Table 2 provides an overview of the number of convicted magistrates/prosecutors/ other officials in the Judiciary as a result of practicing active or passive corruption, for the period 2004-2012. There are no recorded cases in 2012, and the highest number of convicted judges accused of corruption crimes is recorded in 2011, with 5 offenders convicted for practicing active corruption, and 1 for accepting passive corruption.

Table 2: Number of convicted for crimes against Justice, Republic of Albania 2004-2012

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Active corruption of magistrates, prosecutors and other officials in the judiciary	0	0	0	0	0	0	1	5	0
Passive corruption of magistrates, prosecutors and other officials in the judiciary	0	0	0	0	0	1	0	1	0

Source: Ministry of Justice, http://www.drejtesia.gov.al/al/dokumente/statistika

4.5   Code of ethics/behavior

There is a Code of Ethics for judges of the Republic of Albania that addresses major issues such as conflicts of interests, the court ex parte communications, and inappropriate political activities.
The Code of Judicial Ethics was adopted on 5 December 2000. It provides that all judges have to abide to its rules; otherwise they will be responsible in front of the Executive Council of the National Judicial Conference (NJC).

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28 http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-albania-progress-report_en.pdf
29 Law number 8588, dated 15.3.2000, "For the Organization and Functioning of the Supreme Court of the Republic of Albania" http://www.justice.gov.al/UserFiles/File/Legjislacioni_Brendshem_Web/LIGJI_PER_GJYKATEN_E_LARTE.pdf
30 Law no. 9877, dated 18.02.2008, (http://www.justice.gov.al/UserFiles/File/Legjislacioni_Brendshem_Web/LIGJI_PER_ORGANIZIMIN_E_PUSHTETIT_GJYQESOR.pdf

All the violations are reviewed by the Disciplinary Committee of the NJC and may result in reprimand.[31] According to the revised law Number 77, dated 26.07.2012,[32] the NJC is the association of all judges of courts of first instance and courts of appeal and the Supreme Court and is regarded as a public legal person. It holds annual meetings and selects 9 of the 14 judges for the High Council of Justice from the collection of judges of all levels in the Republic of Albania.[33] Until now, only judges who graduated from the School of Magistrates are required to pass a one-semester course on Judicial Ethics before being appointed. Moreover, there is no requirement for the judges in office who have not graduated from the School of Magistrates, to qualify in terms of the Code of Ethics. According to the annual Progress Report of European Commission 2013, effective implementation of this Code remains to be ensured.[34]

Regarding the anticorruption courts, it should be noted that on September 2014, it was created a new body called the Investigation section for corruption and property,[35] in the Heavy Crimes Prosecution which aims to investigate the cases of corruption of judges, prosecutors and senior officials.

Table 3: Number of Indicted and Convicted for corruption crimes, 2010-2011

	2010		2011	
■ No.of indicted ■ No.of convicted	🟦	🟥	🟦	🟥
Receiving extra remuneration for adoption procedures	0	0	0	0
Active private corruption	0	0	0	0
Passive private corruption	10	15	2	2
Active corruption of people who hold public functions	7	0	2	4
Active corruption of high officials	7	5	3	5
Trying to impact illegally people who hold public functions	22	13	11	19
Passive corruption of people who hold public functions	66	11	12	39
Passive corruption of high officials	2	1	0	1
Active corruption of the witness, expert or translator	0	2	1	0
Active corruption of the judge, prosecutor	1	0	2	0
Passive corruption of the judge, prosecutor	5	2	1	2
Giving additional(Illegal) Remunerations	0	0	0	0

Source: "The Report of the Prosecutor General on the criminality situation in Albania", 2011: http://www.pp.gov.al/

31 American Bar Association, Rule of Law Initiative, 2008, The Index of the Judiciary Reform for Albania, Volume IV (http://www.americanbar.org/content/dam/aba/directories/roli/albania/albania_jri_iv_12_2008_al.authcheckdam.pdf
32 Law No. 77, dated26.07.2012, (in Albanian) (http://mobile.ikub.al/LIGJE/PeR-ORGANIZIMIN-DHE-FUNKSION-IMIN-E-KONFERENCeS-GJYQeSORE-KOMBeTARE-1209070091.aspx)
33 Constitution of the Republic of Albania, (http://www.parlament.al/web/Kushtetuta_e_Republikes_se_Sh-qiperise_e_perditesuar_1150_1.php)
34 European Commission, 2013, Progress report –Albania (http://ec.europa.eu/enlargement/pdf/key_documents/2013/pack-age/al_rapport_2013.pdf)
35 http://www.pp.gov.al/

Based on the annual report of the Ministry of Justice (2004-2011) the number of people sentenced for abuse of office, has followed a non regular trend. Among the period taken into consideration, in 2009 has been sentenced the biggest number of people.

Figure 20: Number of people sentenced for abuse of office (2004-2011)

Source: Ministry of Justice: Annual reports, http://www.drejtesia.gov.al/al/dokumente/statistika
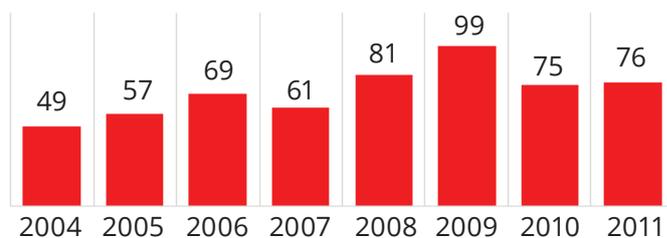
According to Article 135 of the Constitution of the Republic of Albania, the prosecution is not part of the judiciary. The prosecutors' offices are located at the courts but they are considered to be independent bodies that defend justice by investigating and prosecuting various types of crimes and corruption, infringement of human rights etc.

There are though some specialized corruption units within the Prosecutors' offices:
Joint Investigative Unit to Fight Economic Crime and Corruption (JIU):[36]
In May 2007, the Prosecutor General, Minister of Interior, and other bodies signed a memorandum of cooperation to form the JIU, which is aimed at improving the investigation and prosecution of public corruption and other financial crimes.

Directorate of Organized and Economic Crime (DOEC): DOEC is an internal unit of the Prosecutor General's Office. The Directorate has the mandate to prosecute corruption cases which then reports to the Prosecutor General.[37]

Department for Economic Crime and Corruption (DECC): DECC was created in 2005, for the purpose of conducting the prosecution in the area of economic crime and corruption. This department is under the Director and Deputy Director of the Prosecutor's General at Tirana District Court.[38]

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36 Anti-Corruption Measures In South-Eastern Europe, Country reviews and priorities for reform, Stability Pact Anti-Corruption Initiative
37 http://www.business-anti-corruption.com/country-profiles/europe-central-asia/albania/initiatives/public-anti-corruption-initiatives.aspx
38 http://www.pp.gov.al/

Recommendations:

First, measures need to be taken to ensure transparency in the appointment and evaluation of the judges, based on merit-based criteria. There needs to be set clear and very specific criteria regarding the selection based on merit and career principles, so nepotism, clienteles and other forms of corruption in the judiciary will be reduced due to stricter appointment criteria.

Second, the judiciary has been prone to the executive influence in the judiciary, which lowers the credibility of the latter in the eyes of the public. Depoliticizing and ensuring the independence of the judiciary is necessary for the judiciary to gain more trust and to act independently. The role and independence of the High Council of Justice needs to be strengthened as the Council is responsible for ensuring the integrity of Albania's judiciary by monitoring and evaluating it. The inspectorate at the HCJ needs to maintain a primary role in monitoring and evaluating judges, because it is not related to the executive, it is formed of experienced judges and being so close functionally to the Judiciary can better evaluate and monitor the latter. Also, the Minister of Justice should not interfere in the disciplinary proceedings against judges as this clearly influences the separation of these two powers. Moreover, by assigning greater and superior power to the inspectorate at the HCJ, the latter can have clear tasks and responsibilities, and would be accountable for their effective fulfillment. Forms of corruption in the judiciary such as bribery, extra remuneration etc. can be reduced if the supervising/monitoring authority plays a more determinant role and if the public has greater trust in its power and authority. Also, the National Judicial Conference, that selects 9 out of 14 members of the Supreme Court, needs to be more active and demanding because it represents the views of judges of all levels and due to this, it has also greater protection against partisanship.

Third, it has to be noted that the limitation of the immunity of judges is a good measure, however, this should be reflected also in the number of indictments from the prosecutors who can now investigate and start the prosecution without prior authorization.

V. CORRUPTION AND THE ECONOMY

5.1   Political Corruption

Political corruption remains a major problem in Albania manifesting itself in a variety of ways including but not being limited to secret dealings, patronage, nepotism and cronyism, tax evasions, kickbacks or influence over selective application of specific regulations, and lately there have been public accusations of involvement of government officials in organized crime in the form of illegal drug trades. Unlawful favoritisms of certain organizations or businesses, misappropriate allocations of public funds, lobbying for the enforcement of selective regulations/laws to the disadvantage of competitors require the minimization of these state capture practices through making public spending more transparent; addressing certain legislative changes for better rules on political financing and lobbying which might lead to unlawful favoritisms and conflicts of interest; sanctioning anti-competitive behaviors of private companies, and increasing the accountability of government bodies to citizens.

5.2   Corruption and the business environment

The effects of political corruption on the Albanian economy manifest usually in the form of misappropriate channeling of public funds through public procurement and concession agreements to politically favored businesses and organizations or to businesses who offer high illicit payments in return, in the form of tax evasions for certain companies, selective application of specific regulations etc. In 2014 Albania ranked 54th freest country in the world with an overall economic freedom score of 66.9, and with a score of 30.4 for freedom from corruption.[39] Albania is 9.6 points below the world average, and freedom from corruption is the second worst performing component of the overall economic freedom index after labor freedom.

Table 4: Freedom from corruption [40]

YEAR	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
SCORE	10	25	25	25	24	26	29	34	32	33	31	30.4
RANK	128	107	107	115	127	108	107	86	95	89	93	101

Source: Heritage Foundation (2014), Index of Economic Freedom, Albania

Another indicator that could offer an approximation of corruption, petty and grand, as well as state capture by elites is the Control of Corruption from the Worldwide Governance Indicators (WGI) which reflects perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.[41]

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39 The ratings are based on a scale of 0 to 100, with 0 representing the least freedom and 100 most freedom.
40 Heritage Foundation (2014), Index of Economic Freedom, Albania. http://www.heritage.org/index/visualize?countries=albania&type=9 (Accessed in May 2014).
41 World Bank (2012), Worldwide Governance Indicators (WGI). Available at: http://info.worldbank.org/governance/wgi/index-.aspx#home
 * They are based on 32 individual data sources produced by a variety of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms.

The values in the table below provide estimates of governance which range from approximately -2.5 (weak) to 2.5 (strong) governance performance, and include the time period 1996-2012.

Table 5: Control of Corruption, Albania

YEAR	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
SCORE	-077	-0.67	-0.75	-0.81	-0.66	-0.55	-0.49	-0.49	-0.65	-0.72

Source: World Bank (2012), Worldwide Governance Indicators (WGI)

As indicated by these figures, perceptions on the extent to which public power is exercised for private gain, and the extent of state capture by elites and private interests, indicate high corruption levels. Corruption is ranked as the second most significant obstacle to doing business after high taxes according to UNODC data for 2012[42] with an average prevalence of business bribery of 15.7 percent. The prevalence of bribery is higher among small businesses[43] Small and medium enterprises altogether make up 99 percent of private sector enterprises in Albania, with small enterprises having a share as large as around 90 percent. SMEs contribute approximately 75 percent to the national GDP and account for 71 percent of private sector employment.[44] Thus the higher prevalence of petty corruption among small companies might have a detrimental effect, first because they are more vulnerable to increases in costs, and second because they are an important source of income and employment for a large group of people in the country. Furthermore, these companies have a greater potential for growth and the long run impact of corruption on these businesses might be even bigger.

A substantial effect of administrative corruption on business environment can come in the form of reduced investments due to fear of corruption which in UNODC data from 2012 amounted to 3.3 percent of the businesses surveyed. In case businesses see obstacles to make major investments due to corruption, this will greatly harm their upgrading process and eventually their future productivity and operation, as well as the general development of businesses in the country.

Administrative/petty corruption in the customs has been continuously ranked among the highest in the country [45] and according to the Albanian Prime Minister, contracting the agency Crown Agents to monitor corruption at customs is foreseen to bring an increase of 1 percent of the national GDP, generated as additional income from customs.[46]

Financing of the political parties in Albania is regulated in the Electoral Code of the Republic of Albania[47] and Law on Political Parties[48] which allow for financing from public and private funds.

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42 United Nations Office on Drugs and Crime (2013). Business, Corruption and Crime in Albania: The impact of bribery and other crime on private enterprise. Available at: http://www.unodc.org/documents/data-and-analysis/statistics/-corruption/Albania_Business_Corruption_2013_EN.pdf
43 Small businesses are classified as those with 10-49 employees. For more refer to the UNODC (2013) report.
44 INSTAT (2012), http://www.instat.gov.al/en/figures/statistical-databases.aspx (Accessed in May 2014).
   For figures on contribution to GDB and employment, see also: Demeti T. (2012), SME Development in Albania and the Programs to Support Exports in the times of Crises.
45 Please refer to UNODC reports of 2011, 2013. Business, Corruption and Crime in Albania: The impact of bribery and other crime on private enterprise. Customs are ranked first or second regarding the frequency of briberies, and/or prevalence as experienced by businesses.
46 Albanian press, Panorama Newspaper, 28/01/2014. Available at: http://www.panorama.com.al/2014/01/28/doga-nat-crown-agents-450-kontrolle-ne-muaj. (Accessed in May 2014)
47 Electoral Code of the Republic of Albania, Law number 10019, dater 29.12.2008, changed with Law number 74/2012, dated 19.07.2012. Available at: http://www.cec.org.al/images/stories/Electoral%20Code%202012%20(alb).pdf
48 Law on Political Parties, number 8580, dated 17.02.2000. Available at: http://www.parlament.al/web/pub/raport_partite_politike_15557_1.pdf

However there have been several claims of violations of the legislation in the form of understated declared funding, by hiding abuse with public funds or private funding coming from suspicious sources or very strong lobbyists. The link between party financing and impact on business environment is that certain private businesses that finance political parties expect favorable treatment and sometimes engage in what are regarded as "state capture" practices such as strong lobbying for adoption and/or selective application of laws and regulations which benefit them, tax evasions, etc. Following the recommendations from GRECO and OSCE, as from 2011 political parties are required to make public their annual financial statements on the website of the Central Elections Commission.[49] Political Parties taking part in elections are also required to provide the Central Electoral Commission with the financial report for the electoral campaign, which is then audited by third-party auditing companies or independent auditors selected by the Elections Commission. There is plenty of evidence though that suggests that the annual financial statements as well as electoral financial reports provided by the political parties do not display all of their income sources and expenditures.

5.3   Informal economy and corruption

Informal economy in Albania is believed to be very high, generating a large part of the country's GDP and thus hindering healthy business competition as well as substantially reducing income generated by tax. There are no official figures but various estimates suggest that it might be around 30 to 50 percent of the GDP. According to Boka&Torluccio (2013) who use the National Accounts Discrepancies and Kaufmann – Kaliberda Method to calculate informal economy in Albania from 1996 to 2013, its share has been revolving around 30 percent of GDP in the past 5 years.[50] Index Mundi (2013) suggests that its share might be as high as 50 percent of GDP.[51] With a share as large as 30 to 50 percent of the GDP, the number of unreported transactions and resources that go for briberies can potentially be large as well, with higher possibilities for corruption pressure from informal businesses on public control and compliance bodies such as the taxation office etc. As of January 2014, the government of Albania has adopted a progressive tax system, which might raise concerns on an increase in informal economy especially of the medium-sized (but also large) enterprises which would prefer to declare less and benefit from the lower tax rate.

5.4   Government budget spending and re-distribution

The budget of Albania is composed of the Government Budget, Local Budget, and Special Funds. The government budget in Albania is proposed by the Ministry of Finance and is then voted in the parliament as stipulated by the Law on the Annual Budget. While the Assembly theoretically has two months to discuss the budget, it takes usually no more than four weeks, limiting the possibilities for in-depth discussions in the relevant committees.

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49 Albanian Council on foreign Relations, (2011). Zgjedhjet, paraja dhe demokracia. Available at: http://shtetiweb.org/wp-content/uploads/2012/12/Zgjedhjet-Paraja-dhe-Demokracia-policy-paper.pdf
50 Boka M., Torluccio G., (2013), Informal Economy in Albania, Academic Journal of Interdisciplinary Studies, Vol 2 No 8, pg. 212-22.
51 Index Mundi (2013), Albania Economy Profile. http://www.indexmundi.com/albania/economy_profile.html (Accessed in May 2014).

Also, despite the process of hearings being generally well regulated and organized, doubts about the quality of the debate have been raised. Concerns have been expressed that individual debate sessions in the Committee on Economy and Finance of the Ministry of Finance, are too short to allow for in-depth discussion. Furthermore, to improve the quality of parliamentarian budget discussions the Albanian Assembly might reconsider establishing a non-partisan budget office in order to address the lack of independent analytical capacity for MPs, as OECD experts (2013) have advised. The Albanian regulatory framework for the budget process entails all necessary provisions to guarantee full transparency of the content of the Assembly's session, however, in practice; publicity of the hearings is not practiced.

In accordance with the organic budget law and the Budget Monitoring Instruction, since 2006 when Albania introduced performance budgeting, all central government units submit quarterly Budget Execution and Monitoring Reports to the MoF. The internal reporting is mainly of financial nature and does not contain information necessary for performance management (Central Harmonization Unit for Financial Management and Control, 2012). There is recognition in the Ministry of Finance of the need to strengthen budget monitoring to build a stronger foundation for the budget formulation and execution.[52] The Assembly monitors the budget's execution during the fiscal year through quarterly and yearly reports presented by the Ministry of Finance. Quarterly reports are received in a timely and adequate manner. However, debate seems to be limited to the discussion of the consolidated budget implementation report. A lack of capacity for analyzing these reports in the Assembly seems to be a major obstacle to the exertion of the monitoring rights. Controls on non-payroll expenditure are primarily ex-ante voucher checking. There is very little internal audit functionality at the ex-post stage as required by international best practices. Budget institutions receive invoices from suppliers and prepare expenditure documents and perform ex-ante controls. As many budget institutions don't have access to the treasury system they send expenditure documents to the relevant Treasury district office that records and performs an additional ex ante control before payment. By this practice the Ministry of Finance keeps a strong central control on budget execution. The MoF introduced a commitment module as of 2013, primarily for investment contracts. However, the government should establish a more comprehensive commitment control integrated with the Treasury system. Evaluations are not frequently and systematically used in Albania though it happens that the staffs conduct an evaluation report upon request from a minister. In depth evaluations and analysis of performance deviations may also help the monitoring process.

5.5   Public procurement and corruption

Public procurement is the main channel for transferring money from the public into the private sector and a main source of corruption, both petty administrative and political/grand corruption. Following a series of e-government services, Albania has implemented an e-procurement system which has made the process more transparent by making public bids accessible for free on the Public Procurement Agency website. Despite this, concerns still remain about the effectiveness and the real extent of the reduction in corruption in public procurement

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52 Please refer to: http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=GOV/PGC/SBO(2013)3/PROV&doclanguage=en

According to the latest data from 2012 in the Supreme State Audit report, the economic damage in the public procurement in 2012 amounted to 444.5 million ALL , marking the highest level in the four last years. This was due to the actions of the Public Procurement Commission in violation to the tender rules, disqualifying economic operators which offered lower bids.

Figure 21: Economic damage in the procurement area for 2012 (in 000 All)

- Interior Ministry
- Albanian Energy Corporation
- Municipality of Pogradec
- Commune of Qukes Librazhd
- Municipality of Korca
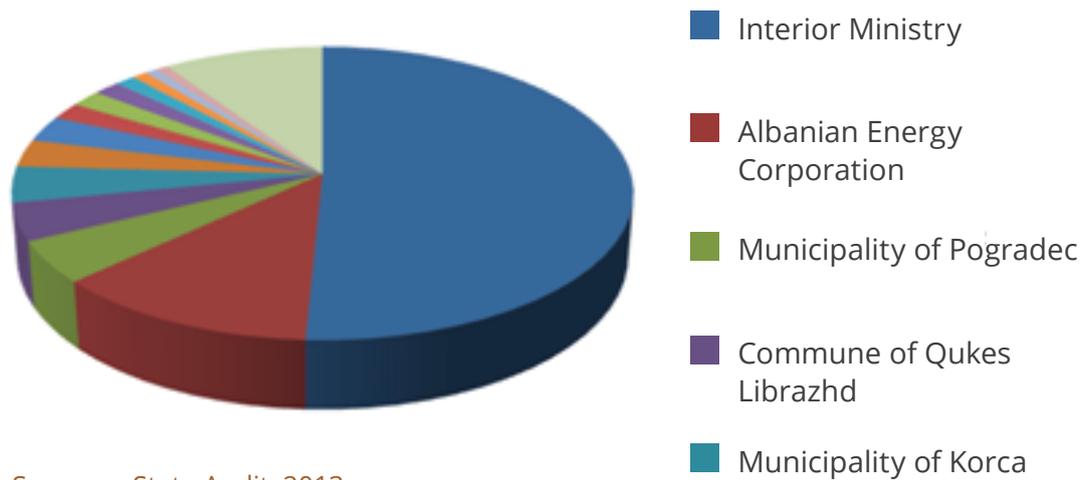
Source: Supreme State Audit, 2013

Recommendations

Party financing: Supervising and monitoring party financing should be more effective and consistent in order to reduce/eliminate illegal financing, and making the funding process more transparent. For this reason, the Central Elections Commission needs to supervise consistently and thoroughly party financing. Human and other investigative capacities need to be improved or delegated to some other institution which has more capacities for these tasks.

Regarding the government budget: Issues to be addressed regarding the government budget include improving the quality of the budget analysis, quality of parliamentarian budget debate on government budget, proper monitoring of budget expenditures, and production of consistent evaluation reports. The Committee on Economy and Finance should allow for in-depth discussions over the government budget in individual debate sessions by ensuring that the latter are not too-short. Public hearings should be ensured, as stipulated by the Albanian regulatory framework for the budget process which entails all necessary provisions to guarantee full transparency of the content of the Assembly's session. The government should establish better commitment control where spending units are required to register commitments in the Treasury system when a contract is signed (before an invoice arrives). The government should establish a more comprehensive commitment control integrated with the Treasury system. The establishments of a non-partisan budget office which has been previously recommended might serve the strengthening of the quality of parliamentarian discussion.

Public Procurement: Technology advancement does not necessarily translate into less corruption if human capital is not properly trained on corruption and/or is not apply high standards of ethics, integrity and institutional independence, leaving out any kind of political or business influences.

VI. CIVIL SOCIETY IN ANTICORRUPTION

6.1   Civil society and anti-corruption in Albania: an overview

While there is no index to measure civil society's level of engagement in anticorruption practices and projects in Albania or indicators to measure their success in such activities, projects aiming at the reduction of corruption at a national and especially local level are much promoted. Given that corruption at the national level is much harder to be tackled and major projects and funding are needed for this purpose, NGOs and international organizations acting in Albania have been mainly focusing on projects that develop anticorruption models and practices at a local level with a modest and realistic target of specific municipalities. Civil society in Albania has also been driven towards these issues in spite of an increasing demand from international and local donor organizations to provide funding for projects in the field. Major donor organizations and other international actors engaged in promoting such initiatives and partnerships with civil society in the field of anticorruption have been mainly the United States Agency for International Development (USAID),[54] the World Bank[55], the European Union along with the Council of Europe[56], the Open Society Foundation for Albania (OSFA), the United States Embassy to Tirana and the British Council.

6.2   Areas of civil society involvement and projects

With USAID being a frontrunner in projects against corruption, since the early 2000s the organization was leading the project Reducing Corruption in Albania which at the time was a major anticorruption project even compared to a regional scale. The project aimed at establishing an umbrella organization -the Albanian Coalition for Anti-corruption (ACAC)-where different structures would be incorporated to work together on anticorruption issues in different sectors. A monitoring activity was also an important part of ACAC's work.[57] The Council of Europe's led and the European Union's funded project Project against Corruption in Albania (PACA) also represented a major project in the field. Due to limited capacities and resources of the civil society organizations in Albania to deal with corruption issues on a national scale, they started to increasingly focus on the local government and issues of accountability, corruption and budgeting. Important project were implemented in collaboration with local government units. Partners Albania has been very active in such local scale projects. Some of their projects have been "Transparency of local governments in providing services" and "Curing and preventing corruption at local governments in Albania".[58] Transparency International has long been engaged in anticorruption initiatives and budgeting practices. Recently they especially tackled transparency through project like "Transparency of Local Governance" and "Enhancing transparency and promoting a participatory decision-making process in the local governance in Albania".[59]

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54 USAID being driven specifically by an Anticorruption Strategy: USAID Anticorruption Strategy 2005, with very specific sectoral benchmarks. Available at: http://anti-corruption.org/pmb321/pmb/opac_css/doc_num.php?explnum_id=187.

55 Governance index and issues of accountability and public administration have been part of financed project.

56 A major initiative being the Project Against Corruption in Albania (PACA), which incorporated many components where civil society could implement different projects on corruption.

57 For more info, refer to Sadiku, L. (September 2010). Albania, Civil Society Against Corruption. Available at: http://www.againstcorruption.eu/uploads/rapoarte_finale_PDF/Albania.pdf.

58 For more info, visit Partners Albania webpage: http://www.partnersalbania.org/?fq=brenda&m=shfaqart&aid=171&gj=gj2.

59 For more info on these projects refer to: http://www.tia.al/en/?page_id=55 and http://www.tia.al/en/?page_id=63.

The Organization for Security and Cooperation in Europe (OSCE) has also engaged with local governments, when in 2009 an anti-corruption project in five small Albanian towns was launched in order to promote principles of sound governance.

Balkan Investigative Reporting Network (BIRN) Albania has recently (April 2014) launched its Anti-Corruption Programme which will be conducted for three years and aims at "exposing corruption cases in eight different sectors, including Environment, Healthcare, Judiciary, Education, Public Administration, Local Government and Organized Crime".[60] Transparency International Albania has also aimed at project with national impact, such as "Budget Allocation Tracking System (BATS) for implementing National Strategy against Corruption in Albania".[61]

Accordingly civil society has been concerned with corruption in higher education,[62] health system and especially judiciary system, especially with the added emphasize corruption in the judiciary has gained in the EC progress reports. PACA and EURALIUS have been umbrella projects of the EU addressing corruption in the judiciary system, but other initiatives have come directly from the civil society. The Professional Journalists' Regional Association of Albania ran a nine-month long project that led to the identification of corruption cases in the judicial system in southern cities of the country. Similar projects have been implemented by the Centre for Public Information as well.[63]

Civil society organizations have also been important actors in reporting on citizens' perceptions about corruption which in many cases was done on a yearly basis, thus providing some fertile grounds for further analyses and action based on actual findings. The Institute for Development Research and Alternatives (IDRA) was a frontrunner in his field, running yearly surveys on perception about corruption since 2005.[64] On the same grounds, Transparency International has developed a Corruption Perception Index and Transparency International Albania provides detailed analysis of the country findings for Albania. Furthermore, in 2013 an important survey was conducted and reported by the United Nations Office on Drugs and Crime (UNODC) "Business, Corruption and Crime in Albania: The impact of bribery and other crime on private enterprise".[66]

6.3   Best practices on anticorruption

While on many cases civil society organizations work separately when dealing with corruption issues, the best anticorruption practices are usually developed through the collaboration of different organizations on large scale projects and especially through regional initiatives. For instance, the Regional Anti-corruption Initiative "acts as a regional process through which governments of the region, local and international civil society organizations, bilateral aid agencies, and international organizations combine their efforts to help curb corruption in South Eastern Europe (SEE)"[67]and provides Anti-corruption Portals for the respective countries where news, report, projects and initiatives are reported.

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60 Balkan Investigative Reporting Network (BIRN) Albania: http://birn.eu.com/en/news-and-events/birn-albania-launch-es-anti-corruption-programme#sthash.Im0SSfva.dpuf.
61 Transparency International Albania: http://www.tia.al/en/?page_id=44.
62 See for example AESA http://aesa-al.org/activities.html.
63 Infocip: http://www.infocip.org/en/.
64 For more info visit: http://www.idra-al.org/en/2projects/projects2005.php?id=2005.
65 For more info visit Transparency International Albania: http://www.tia.al/en/.
66 UNODC (2013).Business, Corruption and Crime in Albania: The impact of bribery and other crime on private enterprise . Available at: https://www.unodc.org/documents/data-and-analysis/statistics/-corruption/Albania_Business_Corruption_2013_EN.pdf.
67 Regional Anti-corruption Initiativehttp://www.rai-see.org/about-us/objectives.html.

This project has also facilitated the exchange of best practices among this group of countries, especially when it comes to establishing connections between governmental bodies and public authorities. This was the case in 2008 when the Albanian High Inspectorate for Declaration and Audit of Assets (HIDAA) co-organized with the Regional Anti-Corruption Initiative a twinning type activity in Tirana with the newly established National Integrity Agency (NIA) in Romania. "The main goal of this activity was to provide initial support for NIA, to allow the Romanian representatives to gain from the experience and the knowledge of their Albanian colleagues and to establish the basis for future partnership between the two homologue bodies".[68]

6.4   Public-private anticorruption partnership

There are some cases worth mentioning of the public-private partnership which represent cases of broader regional or global cooperation between civil society initiatives and countries' governments. An important initiative where the Albanian government is involved is the Open Government Partnership (OGP), which was launched in 2011 and aims to "provide an international platform for domestic reformers committed to making their governments more open, accountable, and responsive to citizens".[69]Albania under the participation obligations in the initiative drafted it first Albanian Action Plan 2012-2013. Transparency and anticorruption were important parts of this programme.While the OGP envisaged the development of an active partnership between the Albanian Government and civil society organizations, according to the Institute for Democracy and Mediation (IDM), "the level of cooperation and inclusiveness of Civil Society in within the OGP processes in Albania, remains at basic and sporadic level". The Anti-Corruption Network for Transition Economies (ACN) and the Stability Pact Anti-Corruption Initiative for South Eastern Europe (SPAI) were initiatives that aimed at fostering public-private partnership. Although they managed to establish a public-private partnership between an international civil society initiative and the participating governments, in the case of Albania this was not translated into a domestic partnership as well. Also, despite the fact that civil society is formally consulted when draft laws and strategies are presented, there is no substantial commitment to include civil society as a vital actor in the process. This further proves the view that in Albania "civil society actors are not considered as direct interlocutors".[71]

68 Albanian Anti-corruption Portal, Co-operation and Exchange of Best Practices in the Fight Against Corruption - Twinning Type Activity. Available at: http://www.anticorruption-albania.org/home/regional-anti-corruption-initiative-news/82-co-operation-and-exchange-of-best-practices-in-the-fight-against-corruption-twinning-type-activity.

69 Open Government Partnership: http://www.opengovpartnership.org/.

70 Institute for Democracy and Mediation (2013). Open Government Partnership project – PASOS: Mapping of Open Government Partnership in South East Europe, pg 6. Available at: http://idmalbania.org/sites/default/files/publications/mapping-open-government-partnership-south-east-europe-case-of-albania.pdf.

71 Irrera, D. (January 2013). Is Albania ready for Europe yet? Jean Monnet Working Papers in Comparative and International Politics.Pg 3. Available at: http://www.fscpo.unict.it/EuroMed/jmwp68.pdf.

6.5   Corruption within civil society

Corruption within civil society organizations has also been an issue in Albania. A very recent article on the Balkan Insight- with one of the authors being from the already mentioned BIRN initiative- reported of net of nepotism and corruption going on among a group of NGOs in Albania where the public Agency for the Support of Civil Society (ASCS) was also reported as involved in the issue.[72] Despite the fact that the allegation have not been investigated or proven, this affects public perceptions and trust in civil society organizations. Other allegations have been circulating in the Albanian media about the funds dedicated to the Roma community especially those given by the European Commission with the claims these millions of Euros have failed to improve the situation of the poor and vulnerable community of Roma in Albania.[73] Although unproven they have managed to affect public opinion that the organizations beneficial of these funds have been corrupt since they have not managed to bring about a real result for the target group they were intended to. There are also concerns related to the civil society organizations' transparency and financial reporting. According to the Civics Civil Society Index Albania, among the civil society organizations "69.5% declare that their financial information is publicly available".[74] Although this indicator looks relatively positive at a first glance, the report further states that "almost 42% of the surveyed CSOs choose not to answer the question on where such information can be found, while of those who answered the question, less than half offer a valid available source".[75] Given this second information, it is clear that the civil society sector in Albania faces clear challenges of transparency.

Recommendations

For the government
Follow through its commitments for the OGP in making civil society a close partner in addressing issues of corruption in the country. Civil society's record of projects and initiatives in the field of anticorruption should be accommodated and incorporated into the government's own efforts in the field.
Establish institutionalized platforms of consultations and cooperation with civil society in the field of anticorruption efforts. Platforms that address larger issues can also be used to this effect such as the National Council for European Integration, should this become a reality.

For donors
Provide development funds to CSOs active in the field of anticorruption so that the CSOs themselves are more transparent to the public, hence gaining trust and effectiveness among the audience.
Exert pressure to government to include civil society in anticorruption efforts planning and take into account civil society monitoring of implementation of such strategies

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72 Rusi, E. &Likmeta, B. (April 2014). Albanian Agency Turns NGO Funding Into Family Affair.The article is available at: http://www.gazetatema.net/web/2014/04/17/birn-agjensia-shtete-rore-e-ojf-ve-financoi-njerezit-e-vet-dhe-shoqata-kunder-opozites/.
73 "Miliona euro per Romet" , 17/08/2013 http://www.top-channel.tv/artikull.php?id=262249
74 Civicus & IDM (2010). Civicus Civil Society Index Analytical Country Report for Albania: In search of citizens and impact. Pg 20. Available at: http://civilsocietyindex.files.wordpress.com/2010/10/albania_acr_finalprintversion.pdf.
75 Ibid, pg 20.

For the civil society

Speak in a unified voice as much as possible, either through large coalitions or large joint projects in order to increase the impact in public opinion.

Develop constructive links with national and regional media in order to create synergy in the field of denouncing corruption and disseminating best practices of anticorruption.

Employ rigorous transparent methods of reporting to the public including more information on financial data through annual reports.

VII. INTERNATIONAL COOPERATION

Albania has been acceptant and welcoming of international anticorruption conventions, and has seen them as ways of further progress and integration with the best world and EU wide standards. Albania has signed the United Nations Convention against Corruption convention in 2003 and the convention has been ratified in 2006. Full implementation of this convention remains dependent on effective prevention of corruption through clear legislation/regulations, and through effective and impartial law enforcement. The United Nations Convention against Corruption supports the implementation of Government of Albania anti-corruption policies, by fostering a culture of non-tolerance toward corruption in the public sector as well as measures to reduce the vulnerability of government institutions.[76] Another UN convention Albania has ratified (2002), is the United Nations Convention against Transnational Organized Crime.

Albania has ratified the Council of Europe Criminal Law Convention on Corruption since 2001. In 2009 it also ratified the Council of Europe Civil Law Convention on Corruption.

Albania has been a member of Council of Europe Group of States against Corruption GRECO since 2001 and is a member of Resource Centre of Regional Anti-Corruption Initiative for SEE (RAI-SEE).

GRECO recommendations have been taken into account by the Albanian government although their full compliance in due time has not been always successful. During the first round of recommendation 2000-2002[77], Albania complied eventually with all of the 11 recommendations made by GRECO. In the second round it fully complied with 11, partially complied with 1, and did not comply with 1, out of 13 recommendations that GRECO had provided.In 2009 Albania ratified the Council of Europe Civil Law Convention on Corruption as well. Albania participates since 2000 in the Stability Pact Anti-corruption Initiative (SPAI) which is covering countries of south Eastern Europe.

7.1   Progress Reports for Albania

The European Commission issues semi-annual Progress Reports on Albania's progress in terms of political, economic criteria and approximation of EU legislation as part of the Enlargement Package. The last Progress Report was issued on June 4th 2014, and the commission confirmed their recommendation that Albania is granted candidate country status in June 2014. In the previous Progress report of October 2013, the Commission recommended the candidate status too with an understanding that Albania had to continue the fight against corruption and organized crime and corruption in the public sector, as well as to continue further with reforms in the judiciary, economic reforms etc.

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76 United Nations: http://www.un.org.al/subindex.php?faqe=details&id=107&mnu=16

77 The evaluation procedure was based on guiding principles 3, 7 and 6 (of the Resolution (97) 24 on twenty Guiding Principles for the fight against corruption). These principles refers to topics related to independence, specialization and means available to national bodies engaged in the prevention and fight against corruption as well as to the extend and scope of immunities. For more information, please refer to: http://www.coe.int/t/dghl/monitoring/greco/evaluations/round1/reports%28round1%29_en.asp

The October 2013 Progress Report found Albania to have made further progress towards fulfilling the Copenhagen political criteria for membership of the EU. This was reached through the cooperation of the government and opposition to adopt a number of important legal acts in Parliament including the Law on Civil Service which is expected to have a great impact on anticorruption, the amended Law on the High Court, and the rules of procedure of Parliament. General Elections of June 2013 were found to have been conducted in an orderly manner. The commission recognized that important steps were in the judiciary for the purpose of enhancing the fight against corruption, money laundering, and increase the seizures of criminal assets and narcotics. However, "concrete measures to strengthen the accountability, independence and efficiency of the judiciary are necessary. The track record of investigations, prosecution and convictions in corruption cases at all levels needs to be strengthened and the fight against organized crime needs to be further upgraded.",- the Commission had stated.

The last Report from the Commission to the Council and the European parliament on Albania's progress in the fight against corruption and organized crime and in the judicial reform supports the appointment of a National Coordinator for Anti-corruption. Although the Commission regards some latest developments as positive such as the signing of the Memorandum of Understanding between the Prosecutor General, Ministry of Interior and State Intelligence Service for the purpose of enhancing cooperation among law enforcement agencies for both anti-corruption and organized crime, it also states that overall, the cooperation between the law enforcement agencies needs to be enhanced, including a secure information exchange system which would improve investigations' efficiency.

The progress report recognizes the continued political will to act decisively in the prevention and fight against corruption. The report recommends Albania to focus on the enforcement of legislation regarding asset declarations and conflict of interest, increase pro-active investigations and introduce further measures to make investigations more efficient, to continue building on its initial efforts, in order to develop a solid track record of investigations, prosecutions and final convictions in corruption cases. The deep judicial reform envisaged is considered to be essential in the fight against corruption.

The very last progress report for Albania was just issued on October 2014. The European Commission concluded that the accountability and transparency of the judiciary were improved, along with the fight against organized crime, but still the fight against corruption and organized crime need to remain top priorities, with sustained and systematic efforts and consistent enforcement of legislation to fight corruption at all levels.

In addition, the report clearly defines that Albania need to further develop the track record of investigations, prosecutions and convictions in these areas. Sustained efforts are needed to strengthen the administrative capacity for implementing and enforcing legislation and to improve transparency and accountability. [78]

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78 http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-albania-progress-report_en.pdf

7.2   Main foreign assistance in the field of Anti-corruption

PACA: Project against Corruption in Albania, funded by the European Union
With funding from the European Commission under IPA 2008, the Council of Europe launched in 1 September 2009 a new technical assistance Project against corruption in Albania (PACA). PACA aimed to contribute to democracy and the rule of law through the prevention and control of corruption, by enhancing the implementation of anti-corruption policies and strategies in line with GRECO and MONEYVAL recommendations and European Partnership commitments, and by contributing to the prevention of corruption in the education sector by improving transparency, accountability and social participation in the education system. Largely following recommendations from PACA, in 2012 constitutional amendments on restricting the immunities of MPs, judges and other high level officials were adopted by the Albanian government.
European Assistance Mission to the Albanian Justice System (EURALIUS)
EURALIUS was an EU funded project with duration of 30 months on the Consolidation of Albanian Justice System. The project brought to Albania high-level expertise to provide legal advice and raise the capacities of the Albanian Ministry of Justice and judicial institutions. It was a promoter of the reform of the immunities regime, as well as of improvements to the legal framework on the High Court, National Judicial Conference, Advocates, Legal Aid, Administration of the Courts, Civil procedure, and Administrative Courts. EURALIUS extended its assistance to the reform of the internal procedures of the High Council of Justice; the consolidation of the new chamber of private bailiffs; the reform of the internal structure of the Office of the Ombudsman; and the capacities of legal advisors of the Constitutional Court.
Programme against Corruption and Organized Crime in South-eastern Europe (PACO)
The project PACO Albania 1 and 2 were funded by the Swedish International Development Cooperation Agency (Sida) and implemented by the Council of Europe from January 2001 to July 2004 as part of the Programme against Corruption and Organized Crime in South-eastern Europe (PACO). The project has been designed to assist Albania in preventing and controlling corruption to the point where it no longer undermines the confidence of the people in the political and judicial system, the rule of law, economic development, foreign investments and European integration.
Overseas Prosecutorial Development, Assistance and Training Program (OPDAT) and the International Criminal Investigative Training Assistance Program (ICITAP): These two programmes are aimed at improving Albania's criminal justice and law enforcement sectors.

7.3   Transparency International Rankings

In the 2013 index Albania performed poorly, by ranking as the most corrupt country in the region, with high levels of perceived corruption for the judiciary, police, and medical system.
The change in government, although smooth and orderly, might has still accounted for some confusion, skepticism, and maybe more corruption and corruption pressure just before the new party took office. Tax inspectors were claimed, were very prone to corruption pressures and were themselves prone to pressure businesses for briberies. This, because of the fear of dismissal when the new government would come in. Moreover, in the period just before the elections, in May-June 2013, there was an artificial increase in number of employed in the public sector, by the party which is now in opposition.

Thus, these and other similar practices which have taken place in previous years might have stipulated and accounted for the higher levels of percept corruption.

Table 6: Transparency International Ranking, Albania

	2010	2011	2012	2013
CPI	3.3	3.1	3.3	3.1
RANK	**87 / 178**	**95 / 183**	**113 / 176**	**116 / 177**

Source: Transparency International, 2013, Corruption Perception Index

Recommendations

Upgrading of the legislation in accordance to EU standards and the further improvement of current laws, are very important. However the success of such measures depends on effective enforcement of law, political will to ensure full compliance with the law and implementation in practice of documented legislation and regulations.

There is a need for Albania to further advance with capacity building by utilizing foreign assistance and best practices. Such capacity buildings is needed in the prosecution and police for the purpose of improving investigation efficiency, coordination between public bodies through using common platforms, and continue building on initial efforts.