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2018 CIVIL SOCIETY ORGANIZATION SUSTAINABILITY INDEX

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ALBANIA

OVERALL CSO SUSTAINABILITY: 3.7

The overall sustainability of the civil society sector did not change significantly in 2018, although slight improvements were noted in both the advocacy and financial viability dimensions. Advocacy improved as a result of CSOs' active support of socio-political developments, while financial viability improved slightly as smaller CSOs and CSOs outside of the capital had increased access to funds through sub-granting programs. Despite this improvement, financial viability remained the weakest dimension of CSO sustainability and continued to be marked by a lack of diversified resources, high dependency on international donors, and largely inaccessible public funds.

ALBANIA

*Capital: Tirana
Population: 3,057,220
GDP per capita (PPP): \$12,500
Human Development Index: High (0.785)
Freedom in the World: Partly Free (68/100)

OVERALL CSO SUSTAINABILITY: 3.7



LEGAL ENVIRONMENT: 3.7

The legal environment governing CSOs in Albania did not change significantly in 2018. While CSOs remain generally free from harassment by the central government, they still face challenges with registration, operations, and fiscal burdens that stem from an incomplete or inappropriate legal framework.

- > The process of registering a CSO in Albania is centralized in the Tirana Court of First Instance.
- > Legally shuttering a CSO involves a lengthy and costly court process; therefore, many defunct organizations remain on the books.
- > Little progress has been made in implementing the 2015 Road Map for Albanian Government Policy Towards a More Enabling Environment for Civil Society Development.
- > VAT policies similar to the private sector and reimbursement processes are very challenging.
- > The legal environment still fails to encourage philanthropy.
- > The Law on Volunteerism and the Law on Social Enterprise, still not fully operational.

ORGANIZATIONAL CAPACITY: 3.7

CSO organizational capacity did not change in 2018. Albanian CSOs continue to struggle to identify and actively build relationships with potential constituents and beneficiaries of their services. Still there is high dependency of Albanian CSOs on the agendas and priorities of foreign donors. Many CSOs adopt broad mission statements in order to be eligible for more funding opportunities and only a limited number have clear and defined strategic plans. As a result of their reliance on project-based funding, the majority of CSOs in Albania find it extremely difficult to maintain full-time staff who stay with the organization and thus strengthen organizational capacity over time. Volunteer engagement in Albania remains low. Developing organizational capacities is largely considered a privilege that only large CSOs can undertake. Smaller CSOs can rarely afford to engage in such efforts due to their general lack of funding, particularly dedicated institutional development funds. In 2018, however, local CSOs had increased access to EU-funded projects and sub-granting schemes that included technical assistance to build their organizational capacities.

FINANCIAL VIABILITY: 4.4

CSO financial viability improved slightly in 2018 as smaller CSOs and CSOs outside of the capital had increased access to funds through sub-granting programs. Despite this positive development, financial viability continues to be a major weakness for Albanian CSOs. Most CSOs not only lack access to multiple sources of funding, but also have no vision or strategy for diversifying their financial sources. Public funds are generally awarded in a formally transparent manner, including the use of public calls with clearly stated selection criteria. However, no information is published on complaints about the competitiveness of these processes. The legal framework regulating CSOs' access to funding from local governments remains incomplete. Although there is growing interest both within the sector and among the public in charity and philanthropy, few Albanian CSOs actively seek support from their communities and constituencies. However, a number of CSOs implemented activities to promote philanthropy in 2018 (Fundjave Ndryshe Foundation and Down Syndrome Albania, You are a sunflower). In 2018, 679 nonprofit organizations (associations, foundations, and centers) engage in economic activity. However, no official records are available that show the extent of the revenues they generate. There is also growing concern in the CSO sector about competition from international organizations competing with local CSOs for funds.

SERVICE PROVISION: 3.6

CSO service provision did not change significantly in 2018. CSOs continue to provide diverse services ranging from social welfare, education, and health services to services aimed at strengthening the capacities of the sector and promoting evidence-based policy making. While state structures at the central and local levels increasingly value the role civil society can play in providing services, no progress was made in materializing sustained financial support in 2018. Many CSOs try to

assess the needs of their constituencies and communities and then tailor services to meet their needs. However, these assessments are generally done in an informal and non-systematic manner. CSOs are generally unable to provide sufficient services to all who need them. Many beneficiaries are unable to pay for services and foreign donors' interest in supporting service provision is dropping. Domestic funding sources are undeveloped and CSOs still have limited access to local government funds. These conditions make it nearly impossible for CSOs to specialize in service provision.

ADVOCACY: 3.2

CSO advocacy improved slightly in 2018 as CSOs diversified and intensified their advocacy efforts during the year.

> Implementation of Law 146/2014 on Notification and Public Consultation, continues to be poor. Notifications for such events often are either poorly advertised, given on short notice, or both. Additionally, it is difficult to trace the outcomes of consultations in order to identify what the impact of each actor might have been on the process.

> National-level advocacy in 2018 led to the adoption of Law No.22/2018 on Social Housing. The parliament incorporated CSO input into the law for the protection and support of socially vulnerable groups, particularly victims of violence. Environmental CSOs were at the core of the Alliance against Waste Imports (AKIP), which opposed the Fieri incinerator. Environmental CSOs and local activists also protested against hydropower plants in Kukës and Valbonë. CSOs and issue-based coalitions protested the introduction of tolls on the Durrës-Kukës Road and the law on the National Theater. Students demonstrated in December to demand improved quality in higher education and an increase in the national education budget.

> CSOs were increasingly engaged in advocacy initiatives targeting decision-making and policy-making processes at the local level, as well, in part because sub-granting practices have created more opportunities for local advocacy.

> CSOs continue to engage informally in lobbying activities. However, the lack of a legal framework to regulate lobbying activities makes it difficult to track and report on these efforts.

SECTORAL INFRASTRUCTURE: 3.7

The infrastructure supporting the CSO sector did not change significantly in 2018. The positive impact of the growth in sub-granting practices and technical assistance to smaller CSOs was balanced by rising operational costs that have limited CSOs' opportunities to invest in and develop their infrastructure and capacities. There are few CSO resource centers and those that exist are not easily accessible for local CSOs. CSOs managed a large number of sub-granting projects in 2018. Most of these projects provide their grantees with a combination of on-line and on-site trainings, individual coaching, networking, and sharing of experiences with other organizations in the country and the region. Training is generally provided for free and is mostly offered in Tirana. However, not all local CSOs have the opportunity to access this support. Larger organizations invest in more specialized trainings, particularly in the areas of strategic management, accounting and financial management, fundraising, advocacy, public relations, and ICT. CSOs continue to cooperate through issue-based coalitions. Think tanks in the capital continued to cooperate with grassroots organizations during 2018. However, coalitions continue to be donor driven and find it difficult to survive without donations. Intersectoral partnerships continued to be weak during 2018. CSOs have few partnerships with media and collaboration with the private sector is almost nonexistent.

PUBLIC IMAGE: 3.7

The overall image of the sector did not change during 2018. The constant expansion of the sector has made it difficult for the public and donors to differentiate between "quality CSOs" and "ghost CSOs," which are either still registered but inactive or are created solely to access certain funding sources.

- > During 2018, Albanian media, continued to prioritize coverage of political developments, with less interest paid to civil society.
- > Although CSOs do not have easy access to the media, some CSOs have managed to build productive relations with the media or to work with politicians.
- > The media often express or air opinions that are critical of CSOs and blame CSOs for outcomes and results that are partially or even fully out of their control.
- > CSOs feel that they have a shortage of capacities and expertise in public relations. Only a small number of CSOs have dedicated staff for communications and public relations.
- > In 2018, there was increased activism by formal CSOs as well as several informal movements such as the Movement for the University and the Alliance for the Protection of the National Theater. The public generally reacted favorably towards these initiatives, although it is too early to determine if this enthusiasm will be sustained.