ALBANIA

VOLUNTARY NATIONAL REVIEW

ON SDGs

Working Draft, May 24th, 2018

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ACRONYMS

ADISA	Agency for the Delivery of Integrated Services
ALBSREP	Immovable Property Registration System
ALL	Albanian Lek
ALUIZNI	Agency for Legalisation, Urbanisation and Integration of Informal Areas and Buildings
BID	Business Improved Districts
CIT	Corporate Income Tax
CMS	Complaint Management System
CSC	Citizen Service Center
CSO	Civil Society Organizations
DDGG	Department of Development and Good Governance
EASO	European Asylum Support Office
ERP	Economic Reform Programme
FDI	Foreign Direct Investment
GoA	Government of Albania
GDP	Gross Domestic Production
GIS	Geographic Information System
ICT	Information and Communications Technology
ILM	Integrated Land Management
INSTAT	Institute of Statistics
IPA	Instrument for Pre-Accession Assistance
IPARD	Instrument for Pre-Accession Assistance in Rural Development
IPRO	Immovable Property Regional Office
LGBTI	Lesbian, Gay, Bisexual, Transgender and Intersex
LGU	Local Government Unit
MAP	Multi-annual Action Plan
MDG	Millennium Development Goal
MTBP	Medium Term Budget Program

NAIS	National Agency for Information Society
NES	National Employment Service
NESS	National Employment and Skills Strategy
NPEI	National Plan for European Integration
NPL	Non-performing Loan
NSDI	National Strategy for Development and Integration
OECD	Organization for Economic Co-operation and Development
PIT	Personal Income Tax
PMO	Prime Minister's Office
SDG	Sustainable Development Goal
SEE	South Eastern Europe
SPC	Strategic Planning Committee
SRC	Sector Reform Contract
TAP	Trans-Adriatic Pipeline
TIMS	Trafficking Information Management System
UN	United Nations
UNDP	United Nations Development Programme
USD	United States Dollar
VAT	Value Added Tax
VET	Vocational Education and Training
VNR	Voluntary National Review
WHO	World Health Organization

1. Foreword

To be inserted in the final version.

2. Executive Summary

SDG era in Albania started based on a long and successful experience of eradicating extreme poverty and reducing the risk of social exclusion, ensuring high quality basic universal education and promoting gender equality and empowerment of women. Albania has embraced the Global Partnership, designed to make a strong contribution to the attainment of Agenda 2030 and is fully committed to implement the Agenda 2030 in the context of the National Strategy for Development and Integration and the European Integration process.

The accession to European Union is the overarching priority and the most important strategic ambition of the country as the as the EU Integration process has full political consensus and nation-wide support as a solid way in achieving a sustainable future for the people of Albania. The success of the European Integration process, culminating with the European Commission's unconditional recommendation in April 2018 to open accession talks with Albania, has been guided by the progress and completion of many complex and inter-related reforms, among which five areas are identified as priorities in this process:

- public administration reform, stable institutions and a modern, professional and depoliticized civil service;
- strengthening the independence, efficiency and accountability of judicial institutions;
- increasing the fight against corruption;
- increasing the fight against organized crime;
- ensuring the protection of human rights, including property rights.

The Albanian Government has affirmed full commitment to the Agenda 2030. The coordination and the leadership of the process is provided by the Inter-Ministerial Committee on the SDGs, chaired by the Deputy Prime Minister of Albania and comprising key government institutions as well as other stakeholders from the business community, civil society, academia and international organizations, including the technical support provided by the Department of Development and Good Governance in the Prime Minister's Office and the contribution of the United Nations agencies in Albania. The Albanian Parliament has unanimously approved a resolution confirming Albania's commitment to Agenda 2030 as it plays an important role in monitoring the achievement of the Sustainable Development Goals.

The scope of the Voluntary National Review is to provide information on the process of implementing the SDGs in Albania and the results achieved. The focus of the report highlights the progress around the key government priorities, which include:

- Innovative and citizen-centered public services;
- Recovery and financial consolidation of the energy sector;
- Fostering innovation and competitiveness, Foreign Direct Investments and domestic investments;
- Integrated water management;

- Integrated land management;
- Financial structural reform.

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

To support the implementation of the Agenda 2030, Albania has prepared an SDG baseline report which indicates that 140 SDG targets (83% of the SDG targets) are directly tied to specific components of the National Strategy for Development and Integration 2016 – 2020 pillars. The linkages between Albania's policy goals and the SDG targets in the national strategies and policy documents, depict 134 SDG targets (79% of SDG targets), linked to the specific objectives of the national strategic policy framework. This framework is most harmonized with the SDG targets in Goal 3 "Good health and well-being", Goal 7 "Affordable and Clean Energy", Goal 8 "Good Jobs and Economic Growth" and Goal 9 "Industry, Innovation and Infrastructure", while the least harmonization is with Goal 14 "Life Below Water".

The achievement of the SDGs in Albania would require further and substantial commitment and cooperation of all the relevant stakeholders in the country. Key challenges in this process include the efforts of establishing the national vision for the year 2030, particularly in the most relevant policy areas for Albania, the identification of policy gaps and acceleration of action in priority areas, the prioritization the SDGs in the local context and the strengthening of the institutional capacities of all the key stakeholders engaged in the process, including the monitoring and reporting institutions.

3. Methodology

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

Albania is among the first countries in the region to opt for the preparation of the VNR, which is aimed to facilitate the sharing of experiences, including successes, challenges and lessons learned, with a view to accelerating the implementation of the 2030 Agenda. The VNR seek to mobilize and provide impact to the policies and interaction between the institutions of governments to strengthen further multi-stakeholder support and partnerships for the implementation of the Sustainable Development Goals.

The theme "Transformation towards sustainable and resilient societies" of Albania's VNR in 2018 will be focused primarily in the set of goals and achievements around the key government priorities on sustainable development, as defined in the NSDI II 2016-2020, as well as on selected success experiences elaborated in this report. These government priorities, as defined in the NSDI II 2016-2020, include:

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

Consultations on the preparation of the report were organized during the period January - May 2018. The report is based on the inputs received from the main government institutions leading the reforms in each priority area under the coordination of the Technical Working Group on SDGs, and the contribution of UN agencies in Albania. A consultation process, seeking the cooperation and engagement of all the stakeholders, including the local government, academia, civil society organizations and the business community in the country was held to discuss and validate the main findings and recommendations.

4. Introduction

Albania achieved significant success and results in implementing the Millennium Development Goals, particularly by eradicating extreme poverty and reducing the risk of social exclusion (MDG 1), ensuring high quality basic universal education (MDG 2) and promoting gender equality and empowerment of women (MDG 3). Nevertheless, limited progress was achieved in addressing the challenges of developing a global partnership for development (MDG 8) and improving governance for all citizens and particularly for the most disadvantaged groups (MDG 9).

While facing important development challenges, Albania supports the Global Partnership, designed to make a strong contribution to the attainment of Agenda 2030 and the country is committed to implement the Agenda 2030 in the context of the National Strategy for Development and Integration and the EU integration process.

The alignment of the SDGs with the NSDI II and the national strategies

The National Strategy for Development and Integration 2016-2020 (NSDI II) is the main policy document that outlines the development vision for Albania, as a middle income economy aiming to upgrade at upper-middle income levels by achieving a national value proposition as "a strengthening democracy, on the path towards its integration with the European Union, with a competitive, stable and sustainable economy, and with guarantees of fundamental human rights and liberties". This national vision for the country is shared by the goals and targets of the SDGs framework. All NSDI II components are directly related to the achievement of specific SDG targets.

The coherence between the national vision of the NSDI-II 2016-2020 and the SDGs framework is reflected in the relation between the SDG targets and the key objectives of the strategy, including the four strategic policy pillars.

Relationship between the NSDI II 2016-2020 pillars and SDGs framework	
Foundation: Consolidating good governance, democracy and the rule of law.	SDG 16
Pillar 1: Ensuring economic growth through macro-economic and fiscal stability	SDG 8, SDG 17
Pillar 2: Ensuring growth through increased competitiveness and innovation	SDG 9
Pillar 3: Investing in human capital and social cohesion	SDG 1 – 6, SDG 10
Pillar 4: Ensuring growth through connectivity, the sustainable use of resources and territorial development	SDG 7, SDG 9, SDG 11 – 15

A policy area assessment conducted in 2017[1], indicates that 140 SDG targets (83% of the SDG targets) are directly tied to specific components of NSDI II 2016 – 2020 pillars, covering the same policy areas in Albania. The same report depicts the linkages between Albania's policy goals and the SDG targets in the national strategies and policy documents, identifying 134 SDG targets (79% of SDG targets), linked to the specific objectives of the national strategic policy framework.

Alignment of SDG Targets with the National Priorities in Albania			
Very Good (>75%)	Good (50% - 75%)	Partial (25% - 50%)	Limited (<25%)
3, 7, 8, 9	1, 2, 4, 5, 6, 10, 11, 13, 16, 17	12, 15	14

Albania's strategic framework alignment with the Agenda 2030 goals and targets is particularly high in Goal 3 "Good health and well-being", Goal 7 "Affordable and Clean Energy", Goal 8 "Good Jobs and Economic Growth" and Goal 9 "Industry, Innovation and Infrastructure". While overall good alignment with the national priorities persists across most of the other goals and targets, Goal 14 "Life Below Water" is the least aligned SDG with the national priorities, as specified in the current strategic framework.

5. Policy and Enabling Environment

The EU integration priorities

The European Integration is the overarching priority of the NSDI II 2016-2020 and for many years the most important strategic ambition of the country. Albania's vision for the European Integration has full political consensus and popular support. The success of the European Integration process, through

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[1] Albania Baseline Report on the Sustainable Development Goals, January 2018, pg. 26.

the accession negotiations and full membership depends on the completion of many complex and inter-related conditions, among which five areas have been identified as priority conditions for opening the accession negotiations in the path of the European Integration:

- public administration reform, stable institutions and a modern, professional and depoliticized civil service;
- strengthening the independence, efficiency and accountability of judicial institutions;
- increasing the fight against corruption;
- increasing the fight against organized crime;
- ensuring the protection of human rights (including property rights).

The European Integration goals relate to a good degree to the achievement of the SDGs and their targets. Albania has established the linkages between the SDGs and the EU integration goals, including the reference to the Albanian National Plan for European Integration (NPEI) 2014-20 and the EU acquis chapters of EU accession negotiations.

The progress achieved in the EU integration priorities supported the European Commission to recommend in April 2018 the opening of the EU accession negotiations, which follows the decision of the European Council in 2014 to grant the candidate status to Albania. This section provides information on the progress made by Albania in each of the priority areas of the European Integration process.

Justice Reform

The Vetting Process has produced its first results towards establishing an accountable, independent and efficient justice system. A number of prosecutors and judges have voluntarily withdrawn from the vetting, and they will no longer be part of the judiciary system. New cases are being reviewed and evaluated on daily basis, based on criteria such as: asset assessment; proficiency evaluation and background assessment. The legal package of justice reform includes 15 laws already adopted and 12 draft-laws still in process. The European Commission 2018 Report on Albania states that "*The implementation of comprehensive and thorough justice reform has continued, resulting in good progress overall. The re-evaluation of all judges and prosecutors (vetting process) has started and is delivering first tangible results.*[2]"

More details on this process are provided in the section 6.3 of this report.

Fight against organized crime

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

The first promising results include the identification of all active criminal groups; high risk criminal groups; detailed information regarding organized criminal groups and their assets. Successful operations, in cooperation with American, Canadian and several European countries law enforcement agencies have

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[2] European Commission, Albania 2018 Report, Strasbourg, 17.4.2018, pg. 5

been conducted, which have resulted with the arrest of several persons and the seizure of properties obtained through dubious or illegal ways.

The Law on the vetting of the Police was adopted on March 2018 and it provides the foundation of a process that has already started through which the future police force will be built, by clearing incriminated, corrupted or professionally incapable personnel. As a result of the radical improvement in the fight against cannabis cultivation, in 2017 there was a significant reduction of cannabis cultivation cases and the number of narcotic plants identified/destroyed by State Police structures was significantly reduced, by 38 times less than in 2016[3].

The European Commission 2018 Report on Albania states that *"Amendments to the anti-mafia law and the Criminal Procedure Code have created the conditions for increased efficiency of criminal investigations. Albania participated successfully in international police cooperation, intensifying its interactions particularly with EU Member States[4]".*

Fight against corruption

The positive trend towards a solid track record of investigations, prosecutions and convictions in corruption cases[5] continued, as demonstrated by:

- an increase by 15% in the number of cases referred to prosecution by the police in 2017, compared to the previous year (2166 cases in 2017 and 1882 cases in 2016);
- an increase by 31.8% in the number of cases submitted to court by the prosecution in the 2017, compared to the previous year (813 cases in 2017 and 617 cases in 2016);
- an increase in the number of convictions at the Supreme Court (16 convictions in 2017 and 2 convictions in 2016);

The recent fight against corruption and abuse with land property rights has led to the arrest of 34 persons, including high level officials (mayors, former mayors and a former prefect).

The European Commission 2018 Report on Albania states that "*Albania maintains some level of preparation in the fight against corruption. Good progress was made, notably with the adoption of amendments to the criminal procedure code. A chain of specialised anti-corruption bodies, including a special prosecutor's office, is being established. The number of final convictions involving junior or middle-ranking officials has increased compared to the previous reporting period*"[6].

Asylum

Preventive measures

In view of strengthening the control and effective border surveillance and preventing abusive asylum seeking, the Border and Migration Police is implementing the measures and obligations set out i

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[3] The "Action plan against the cultivation and trafficking of cannabis 2017-2020" was approved by the government in March 2017.

[4] European Commission, Albania 2018 Report, Strasbourg, 17.4.2018, pg. 6

[5] The "Cross-cutting Strategy for Anticorruption for the period 2015-2020" was approved by the government in March 2015

[6] European Commission, Albania 2018 Report, Strasbourg, 17.4.2018, pg. 6

Inter-institutional Action Plan "*On the Prevention of Asylum Seeking of Albanian Citizens in Schengen / EU Countries*", followed by the administrative orders of General Director of Police and Director of the Border and Migration Department "*On the control of notarial acts of juveniles at the border*" etc. The "ALERT" system is installed in TIMS, and will serve to identify the unaccompanied minors abandoned by their parents or guardians, at the border.

Impact of measures

In 2017, in comparison with the year 2016 the number of Albanian asylum seekers decreased by 24%. The latest report of the European Asylum Support Office (EASO March 1, 2018) notes that Albania is no longer among the six countries with the highest number of asylum requests.

Public Administration Reform

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

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

The European Commission 2018 Report on Albania states that "*Efforts continued, resulting in some progress in the efficiency and transparency of public services delivery, the training of civil servants, more transparent recruitment procedures, and the overall strengthening of merit-based civil service procedures*"[8].

Protection of human rights

The law on "*Protection of National Minorities in the Republic of Albania*", adopted by the Parliament on 13 October 2017 and has entered into force on 24 November 2017. The Property Management Agency has allocated a total compensation fund of 3,7 billion ALL, out of which: 1,8 billion in 2016 and 1,9 billion in 2017. With regard to the strengthening of child protection, the Law no. 37/2017 "Criminal Justice Code for Minors", entered into force on January 1, 2018.

The Albanian Government is implementing the 2016-2020 Action Plan to strengthen the rights of the LGBTI community and opened the first shelter for LGBTI persons[9]. Albania is implementing the 2016-

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[7] The "National Cross-cutting Strategy for Public Administration Reform 2015-2020" was approved by the government in April 2015

[8] European Commission, Albania 2018 Report, Strasbourg, 17.4.2018, pg. 6

[9] The "National Action Plan for LGBTI Persons in the Republic of Albania, 2016-2020", part of Policy document for Social Inclusion 2015-2020, was approved by the government in February 2016

2020 Action Plan for the Integration of Roma and Egyptian Communities[10], in relation to civil registration, education and promotion of intercultural dialogue, employment and enhancement of professional skills, health care, housing, urban integration and social protection.

The European Commission 2018 Report on Albania states that *"Albania has ratified most international human rights conventions and has developed its legal framework in line with European standards. Enforcement and monitoring of human rights protection mechanisms remain to be strengthened. As regards the freedom of expression, Albania has some level of preparation/is moderately prepared. There has been some progress in strengthening the independence of the regulatory authority and public broadcaster but transparency of state advertising in the media remains to be enhanced[11]"*.

Leave no one behind

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

Social inclusion

Albania is party to all core human rights treaties and has made significant efforts in improving its human rights records and strengthening the national human rights institutions. Yet, issues such as gender inequality and domestic violence, human trafficking, and child labor and exploitation are still challenges for the country. While during the country's communist phase the integration of Roma and Egyptians, was "compulsory", persons with disabilities did not usually benefit from specialized state services, or in only very limited form and in insufficient quality. The transition years did only hesitantly bring about improvements, in some respect also deterioration: Marginalization increased for Roma and Egyptians, many children of these groups dropped out of school, their social inclusion, their access to the labor market, for instance, therefore worsened. Albania has a heavy heritage of marginalized and vulnerable persons who are in dire need of support, but whom continue to receive no, or often inadequate services.

The Albanian economy, with an employment rate of just 50%, is unable at creating sufficient jobs for the population. The Labor Force Survey 2015 indicates that the unemployment rate is at 17,3% (17,7% for men and 16,8% for women). The same source of information reveals that young people from 15 to 29

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[10] The "National action plan for the integration of Roma and Egyptians" was approved by the government in December 2015
[11] European Commission, Albania 2018 Report, Strasbourg, 17.4.2018, pg. 6

Albania's Baseline Report on SDGs indicates that Goal 10 is 50% aligned with the national policy in Albania. One target: 10.a - is fully aligned, five targets: 10.1, 10.2, 10.3, 10.4, 10.7 - are partially aligned and one target: 10.c - is not aligned with the national policies, particularly with Pillar 1: Growth Through Macro-Economic and Fiscal Stability, and Pillar 3: Investing in People and Social Cohesion of the NSDI-II and key policy documents such as the National Strategy on Social Protection 2015-2020 and Social Inclusion Policy Document 2016-2020 etc.

Availability of Global Indicators for Goal 10 in Albania	Readily Available	5
	Available with efforts	1
	Partially Available	0
	Not Available	4
	Not Applicable	1

SOURCE: ALBANIA BASELINE REPORT ON SDGs, 2018

Achieving 2030 targets in Goal 10, by indicators	Target 2030 achieved	1
	Intermediate target achieved	1
	Intermediate target not achieved	0
	No data or judgment impossible	6

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG DASHBOARD, MAPS MISSION

years old are the most disadvantaged in the market, with a 33,9% overall unemployment rate (35.6% for males and 27.4% for females). Poverty level dropped from 25.4% to 12.5% in 2008 but due to economic factors it increased to 14.3% in 2012 while the extreme poverty reached 2.2% in urban areas and 2.3% in the rural areas of the country, providing support to Albania's achievements with the MDGs and with Goal 1: "End poverty in all its forms everywhere". However, households with children remain more prone to living in poverty than their counterparts, especially those with younger children (0-5 years old) with 19.2% of households with children were living in absolute poverty.

Inclusion[12] is especially unsatisfactory as regarding specific groups: the poor, and especially Roma and Egyptians and persons with disabilities, which poses significant challenges for the achievement of SDG Target 10.2 "By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status". Roma people experience extremely high levels of unemployment, estimated at around 71% compared to around 20% for the population as a whole[13]. Less than a quarter of Roma and Egyptians are employed, and the gender inequality is impressive: only 15% of the Roma women and 13% of the Egyptian women have paid jobs. [14] Most of them work in the informal economy, consequently, they are not officially registered in the employment scheme and lose entitlements to social benefits (health insurance coverage, pension fund). Roma children often begin work at a very early age in order to contribute to the survival of their families.

People with disabilities are much less likely to participate in the labor market than their non-disabled peers. The labor force of 8 in 10 disabled working-age adults remains untapped, i.e. they are neither working nor looking for work. Consequently, disabled adults are five times less likely to be working than the non-disabled population[15], despite the quota for the employment of disabled people by public and private employers as provided in legislation. The barriers these disadvantaged groups face, are mainly linked to their low level of education to meet the requirements of market economy and discriminatory attitudes of employers.

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[12] The "Policy document for Social Inclusion 2015-2020" was approved by the government in February 2016

13 Republic of Albania, The Decade of Roma Inclusion: National Action Plan 2010-2015

[14] Census 2011: Roma and Egyptians in Albania, April 2015

[15] Census 2011: Profiles of Disabled Population, January 2015

Access to pre-university education[16] in Albania is relatively low compared to OECD countries. Enrolment of children in pre-university education about 60%, while the European countries average is 75% . There is a large problem of access to education for some social groups, especially children with disabilities and Roma children. While 3% of Albanians have never attended school, this figure is 15% for Egyptians and 49% for Roma.   School dropout is a worrying phenomenon. According to the Census 2011 data, most of the Albanian (97%) and Egyptian (93%) children aged 6 to 9 years old are attending primary schools, but this is the case for only 55% of Roma children. Drop out is rather rare before 10 years of age (less than 3%, and mainly affecting girls rather than for boys), but it is more significant at the beginning of lower secondary school.

According to national statistics, the enrolment rate in preschool education for the academic year 2014-2015 was 81%. Children above the age of 6 are entitled to basic education, comprising the schooling at both the primary/elementary and lower secondary levels. There is a large problem of access to education for some social groups, especially children with disabilities and Roma children. While 3% of Albanians have never attended school, this figure is 15% for Egyptians and 49% for Roma.[17] Albania has approximately 5,000 Roma children aged from 3 to 16 years old and less than half of them attend school. On average Roma, have attended 3.4 years of schooling, while the non-Roma population have attended 8.6 years of schooling.

In Albania, children with disability are overrepresented in the category of primary-school-aged children not attending school, especially when having hearing and mobility difficulties. While 96 percent of children aged 6-14 in the non-disabled population attend school, only 75 percent of children with some disabilities are enrolled. One adult with a disability in four was not able to attend school, the vast majority of which remains illiterate. The education gap between non-disabled and disabled individuals is thus huge: individuals with disabilities are much more likely to stay out of the school system, and when they do attend, they are more likely to drop out of the education system after primary school. 2011 Census data show that only 55.6 per cent of persons with disabilities over 15 years of age have completed basic education. Only 3.3 per cent of persons with disabilities have completed (post)university studies and almost a quarter (24.3 per cent) never attended education.

The main barriers for school attendance for Roma children are the extreme poverty as children quite often support families for survival, some Roma parents who have not experienced the benefits of education may have a tendency not to send their children to school, valuing children's participation in their economic basis higher than formal education, and ineffective implementation of policies to support Roma children's access to the education system and their remaining in the system. Discriminatory attitudes of schools and non-Roma parents towards Roma children's enrolment are an additional obstacle for Roma children's school attendance.

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[16] Sector Strategy for Pre-University Education 2014-2020, approved by the government in January 2016
[17] Census 2011: Profiles of Disabled Population, January 2015

Lack of information and appropriate competences among teachers, combined with inappropriate infrastructure, lack of dedicated cadre of 'support teachers' and insufficient learning instruments, all contribute to the continued exclusion of children with disabilities in terms of their right to education[18].

Children in Albania face different types of violence and exploitation[i]. A WHO supported study of 2013[ii] showed that 41.5% and 6% of children surveyed had respectively been abused physically and sexually at least once during their childhood. 1 in 5 children in school report that they are subject of verbal bulling[iii]. Between 2000-2500 children with some connection to the street have been identified in Albania, on their own or with family members in 2014.[iv] To address this, efforts have been made to improve the legislative and policy framework on the rights of the child (adoption of the Law for the Protection of Children's Rights[v], the Criminal Justice for Children Code and the 'Children's Agenda 2020'). National and local institutional capacities and coordination still have to be improved to make a difference and bring results in children's lives. Inequalities is accessing quality health services have affected specific vulnerable groups of the population. Infant and under-5 mortality rates have dropped over the years, however in the underserved areas of mountainous Albania, these rates are twice the national average[19]. The total burden of disease for children aged 1-4 has reduced significantly but also remains the highest in the SEE region[20]. Albania's Government spending on health care is about 2.6% of GDP, which is substantially lower than what other countries with comparable levels of income spend and, again, the lowest in the SEE[21]. Early identification and prevention of disabilities do not align with the international standards in the health sector practice, where neonatal screening is missing[22].

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

Tackling the inclusion challenges in Albania.

Social protection for vulnerable groups in Albania is a national important priority and it contributes in achieving Goal 10 "Reduce inequality within and among countries", particularly through Target 10.4 "Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater

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[18]ISOP.2016. Facing the challenges of inclusive education. UNICEF in Albania; accessible at https://www.unicef.org/albania/2016_ALB_study_report-Facing_the_challenges_of_inclusive-education.pdf

[19]Albanian Demographic Health Survey 2008-2009 (pg.117): https://dhsprogram.com/pubs/pdf/FR230/FR230.pdf

[20] Institute of Public Health (2014) *National Health Report – Health Status of the Albanian Population.* Pg. 68 (data referring to Global Burdon of Disease 2010): http://ishp.gov.al/wp-content/uploads/2015/04/Health-report-English-version.pdf

[21] According to the World Bank analysis: http://pubdocs.worldbank.org/pubdocs/publicdoc/2015/10/628841445980891015/Albania-Snapshot.pdf

[22] Order of Minister of Health, no. 529, date 1.12.2016, "*Strategic Document and Action Plan on Sexual and Reproductive Health 2017-2021".*

equality". Social protection expenditure share in the government budget was 9.1% in 2017, up from 8.9% in 2016. The expenditure on social protection consists of two main schemes:

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

ii) disability allowance (DA) for people with mental and physical disability, including the blind, paraplegic and quadriplegic persons. Households that have a member with disability receive social protection cash payments regardless of the economic situation of the family members. Social protection transfers include: disability allowance, social assistance benefits, and support with energy bill payments. Even though disability allowance payments have increased year on year, it is still evident that persons with disabilities find it difficult to cover their expenses with the DA they receive. The current number of children with disabilities (around 15,000 children) officially receiving disability[23] equates to approximately 2.2 per cent of the total child population aged 0 to 17 years, which is significantly below the global prevalence estimate of 5 per cent[24]. Moreover, the scheme follows the medical model, and focuses mainly on children with severe disabilities, leaving out other categories[25] while a bio psycho social model is being piloting in two administrative units of Tirana municipality, based on international standards, ICF and WHO, as part of the disability reform undertaken by the government.

The social protection reform in Albania is outlined in the NSDI II 2016-2020, the National Strategy for Social Protection and the Policy Document on Social Inclusion 2015-2020. The reform aims to improve the targeting of families and persons receiving the assistance, as well as through aligning its implementation with other ongoing and related reforms in the country. Albania has made operational the National Registry of Social Services, persons with disabilities and the NE Management Information System, which will improve the efficiency of the social protection mechanism, and would enhance its transparency, administration and reduction of bureaucratic barriers.

Both schemes (NE and DA) are supported by the World Bank through pilot projects to improve the efficiency and improved targeting those persons and groups most in need. Since January 2018, the NE new scheme is implemented all over the country. The Social Funds will be managed by municipalities, they are to be provided by contributions of central government, by municipalities, and by humanitarian and development partners. As part of the above-mentioned reform, building of municipal capacities to manage their newly acquired responsibilities in social care service provision started in 2016, with multiple capacity gaps still to be filled in the years to come. At present, publicly-funded non-financial social care services (other than limited institutional services) are very limited in Albania. Most social care services are provided by civil society organizations (CSOs) funded on a voluntary basis or by development partners.

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[23] State Social Services Annual Report 2016 - http://www.sherbimisocial.gov.al/raporte/
[24] WHO 2011
[25] *"Analyses of the services for children with disabilities in Albania"*. Save the Children in Albania

The 2011 census shows that almost one in five (18.9%) of poor households still live in overcrowded conditions and 15% of the Roma households live in a non-conventional housing (shelters, tents, shacks, barracks, or any type of precarious constructions) lacking basic infrastructure and services. UNDP research shows that only a small share (14.34% of applicants) of the Albanian population in need of housing has benefited from social housing programmes[26]. The highest portion of beneficiaries (40%) belongs to the group of young couples, whereas the lowest portion of beneficiaries belongs to the groups of orphans, Roma and Egyptian families, female-headed families, victims of domestic violence, despite the fact that these are of the groups with the highest number of applications.[27] In addition, there are no housing blocks or units available where persons with disabilities can live independently with the personalised assistance services. The social housing policy in Albania contributes to the achievement of the SDG Target 10.4 "Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality" and SDG Target 11.1 "By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums" and is designed to respond to the needs of the most socially excluded people who cannot afford to buy or rent accommodation of a minimum standard.

Women empowerment

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

The economic inclusion and empowerment of women is challenging[28]. Women's labor force participation is low, and a high percentage of women are discouraged from entering the labor market. Furthermore, unpaid care work is the exclusive domain of women, obstructing their participation in productive and paid work. According to the 2011 Time Use Survey conducted by INSTAT, on average, women work two hours more per day than men (paid and unpaid work). In the absence of adequate childcare, employed women in particular are overburdened through their responsibility for both paid and unpaid care work. In 2015, employment was 60.5 per cent for men and 45.5 per cent for women. Registered unemployment was roughly 17.5 per cent for both women and men. Almost half (45 per cent) of the female population aged 15-64 years was out of the labor market, compared to 26.6 per cent of men. Another deeply gendered feature of the labor market is that 50 per cent of employed women are self-employed in the agricultural sector, compared to 36 per cent of men. Among self-employed women

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[26] "Social Housing Strategy 2016-2025", approved by the government in June 2016
[27] Assessment of housing needs at the local/municipal level, UNDP 2014
[28] "National Cross-cutting Strategy for Gender Equality 2016-2020", approved by the government in January 2016

Albania's Baseline Report on SDGs indicates that Goal 5 is 59% aligned with the national policy in Albania. Three targets: 5.2, 5.5, 5.c - are fully aligned, five targets: 5.1, 5.4, 5.6, 5.a, 5.b - are partially aligned and one target: 5.3 - is not aligned with the national policies, particularly with Pillar 3: Investing in People and Social Cohesion of the NSDI-II and key policy documents such as the Gender Equality Strategy 2016-2020 etc.

Availability of Global Indicators for Goal 5 in Albania	Readily Available	6
	Available with efforts	0
	Partially Available	4
	Not Available	3
	Not Applicable	1

SOURCE: ALBANIA BASELINE REPORT ON SDGS, 2018

Achieving 2030 targets in Goal 5, by indicators	Target 2030 achieved	6
	Intermediate target achieved	1
	Intermediate target not achieved	7
	No data or judgment impossible	6

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG DASHBOARD, MAPS MISSION

in agriculture, the vast majority, namely 87 per cent, work for self-subsistence, which is known to be indicative of a precarious economic situation. Women not self-employed in agriculture are concentrated in the private sector (small trade), public services (health and education), manufacturing, and public administration. In addition, occupational segregation is present in some economic sectors, women are almost exclusively in charge of unpaid care work in the domestic sphere and a gender wage gap in favor of men of about of 18 per cent (almost twice as high in rural areas) was identified in 2011.

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

In 2013, the Albanian Government prepared the National Women's Entrepreneurship Action Plan 2014-2020, which accompanies the Government's Strategy on Business and Investments 2014-2020. The Action Plan's main aim is to improve the overall business environment for women in Albania and includes four pillars: (i) Policy Support; (ii) Education and Training; (iii) Access to Finance and Competitiveness; and (iv) Networking, as well as the cross-cutting issue Women's Participation in the Rural Economy. Most notably, the fourth pillar aims to support women in rural areas through the program of extension services and subsidies schemes, promotion of rural women's entrepreneurship, capacity development, and dissemination of information to women on their rights to access assets such as land and housing. Support for these policies and programs is also linked to the Vocational Education and Training (VET) system, which

aims at increasing the number of Instrument for Pre-accession Assistance and Rural Development (IPARD) applications submitted by women entrepreneurs in rural areas, as well as improving women's access to extension services.

The Government of Albania has made efforts to prioritize the needs of women with disabilities by offering dedicated vocational training courses and employment mediation programmes. The legal framework provides that disabled single mothers or heads of households may benefit from additional support services offered by public community centres, or may be referred to NGOs providing alternative services, where such services are not provided by the authorities.

During the last years, the Government of Albania has made considerable efforts to improve and integrate planning and budgeting processes. The government has worked in making gender equality a central element of planning and budgeting for national development and EU integration. Since 2012, the government has introduced the application of gender mainstreaming in the medium-term budget programme (MTBP). Its aim is to establish transparent, adequate, and effective public financing processes, including budgets that channel adequate resources to both women and men. The MTBP of 2018-2020, has 28 programs prepared in compliance with Gender-Responsive Budgeting, compared to nine programs identified in the previous years. Figures as per the approved MTBP 2016-2018 show a total of 15 billion ALL (USD 136 million), or 3% of the total budget, planned by the Albanian Government for the year 2018 to specifically benefit women and/ or advance gender equality.

Albania has also achieved significant progress in achieving SDG Target 5.5 "Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life". The percentage of women in parliament increased from 16.7 per cent in 2013 to 23 per cent in 2015, and up to the record 29.3 percent in 2017 (41 female MPs), representing the highest share since 1997. This achievement was largely a result of strong lobbying efforts on the part of women's organizations for introducing and applying the 30% and 50% gender quota system for the political and local elections, as well as of increased general awareness of the significance of women's political representation. In addition, the Albanian Government has currently the record share of ministerial positions held by women – 46.1 percent, including the position of the Deputy Prime Minister. Serving the achievement of the same SDG Target, the share of women ownership or administration of local businesses in Albania, increased from 22.9 percent in 2005, to 31.3 percent in 2015.

Engagement of all the stakeholders in the ownership of the SDGs

Institutional arrangements

On December 4th, 2017, the Albanian Parliament unanimously approved a resolution confirming Albania's commitment to Agenda 2030 and the achievement of the Sustainable Development Goals. By endorsing this resolution, the Parliament of Albania collectively embraces the Agenda 2030 and Sustainable Development Goals and commits to its promotion, implementation and monitoring, through inclusive and broad-based development processes, in line with Albania's development priorities and EU integration.

The Albanian Government has committed to implement the Agenda 2030 in the context of NSDI II 2016-2020 and the country's EU integration process. The commitment to the Agenda 2030 is supported by the establishment of the Inter-Ministerial Committee on the SDGs, headed by the Deputy Prime Minister of Albania and comprising the key government institutions as well as other stakeholders from the business community, civil society and academia. As part of the engagement of all stakeholders in the process, on October 24, 2017, during the UN Day, twenty-five public and private universities and faculties in Albania signed an agreement committing to play an active role to advance Agenda 2030 for Sustainable Development. Civil society and private sector organizations are participating in the process while integrating the SDGs in the business models and the activities they conduct in Albania.

Since its establishment in 2017, the Inter-Ministerial Committee on the SDGs has met three times, to provide guidance on implementing the SDGs in Albania, adopt the SDG baseline report and initiate the process of voluntary national review on SDGs. The Inter-Ministerial Committee on the SDGs is supported by the activity of the inter-institutional working group on SDGs, which includes technical level representatives from all the Albanian institutions participating in the implementation of the Agenda 2030. The inter-institutional working group on SDGs has met six times during 2018 to discuss and contribute in the process of achieving the SDGs. The Department for Development and Good Governance at the Prime Minister's office acts as the technical secretariat to the Inter-Ministerial Committee on the SDGs and provides leadership to the activity of the working group on SDGs.

The institutional responsibilities for the implementation of SDGs are identified and the leading institutions are depicted in the following institutional map, which indicates also the number of relevant SDG targets for every leading institution.

SDG institutional responsibility, by targets

Government Institution	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Number of SDG targets per institution
Ministry of Health and Social Protection	■	■	■	■	■	■				■						■		38
Ministry of Finance and Economy	■	■	■	■				■	■	■		■				■	■	43
Ministry of Infrastructure and Energy						■	■	■	■		■	■						23
Ministry of Tourism and Environment			■			■		■			■	■	■	■	■			30
Ministry of Agriculture and Rural Development		■										■		■	■			11
Ministry of Education, Sports and Youth				■								■	■					11
Ministry of Interior			■		■					■						■		8
Ministry of Justice																■		3
Civil Emergencies Department (Ministry of Defense)	■										■							2
Bank of Albania								■										3
Technical Secretariat, National Committee of Water						■												5
e-Authority									■								■	2
INSTAT																	■	2
Ministry of Culture											■							1
Ministry for Europe and Foreign Affairs																■		1
Civil Society Support Agency																	■	1
National Agency for Scientific Research and Innovation									■			■					■	4
Public Procurement Agency												■						1

The support of the UN agencies in Albania

The UN agencies in Albania support the achievement of the SDGs in three different ways, through the MAPS (mainstreaming, acceleration and policy support) approach:

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

MAPS is a UN system-wide undertaking which represents a crucial opportunity to mobilize the UNCTs and leverage the UN Agencies' collaborative advantages to contribute to human-centered and rights-based sustainable development. The most recent MAPS mission in Albania was during April 2018.

The Government of Albania - UN Programme of Cooperation for Sustainable Development for the period 2017-2021[29] is a framework for attaining results that focuses on upstream support and is

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[29] Approved by the Albanian Government in October 2016

strategic, forward looking and fully aligned to country strategic priorities. This framework builds on the successes of the previous Programme, and continues the *Delivering-as-One* approach. It describes how the Government and the UN, drawing on the full range of expertise and resources of the UN system agencies, will work in partnership to achieve development results.

Four major results, or *outcomes*, were identified jointly by the Government, the UN, civil society and development partners. The outcomes respond to priorities that are aligned with the NSDI II and with the SDGs and their targets. The following chart summarizes the linkages between the Programme of Cooperation for Sustainable Development and SDG goals, as well as their alignment degree with the national policies.

GoA - UN Programme 2017-2021 priorities		SDG																
Priority	Outcome	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Governance and Rule of Law	Consolidated democracy in line with international norms and standards					■	■				■						■	
Social cohesion	Health			■		■												
	Education				■													
	Social Protection	■		■														
	Child Protection	■		■													■	
	Gender and social inclusion					■	■											
Economic Growth, Labour and Agriculture	Economic growth								■		■							
	Inclusive, sustainable, and gender-responsive development					■			■		■							
	Focus on competitiveness		■						■									
	Decent jobs				■				■				■					
	Rural development		■												■			
Environment and Climate Change	Environmental sustainability							■							■	■		
	Climate change													■	■			
	Disaster risk reduction		■									■		■	■			

Incorporation of the Sustainable Development Goals in the national framework

The second National Strategy for Development and Integration (NSDI II)[30] presents Albania's vision for its national social, democratic and economic development over the period 2016-2020, and its aspirations for European integration through six strategic priorities:

1. EU membership, with objectives related to public administration reform, a modern, professional and depoliticized civil service, more independent and accountable judicial institutions, addressing corruption, and protecting human rights

2. Consolidating good governance, democracy and the rule of law with strong, effective and democratic government institutions a fully functional and open judicial system with equal access for all

3. Ensuring growth through macroeconomic and fiscal stability

4. Ensuring growth through increased competitiveness and innovation

5. Investing in people and social cohesion with objectives related to a modern educational system, a universal and quality health care system, expanded employment opportunities, a stronger social protection system, gender equality and social inclusion;

6. Ensuring growth through connectivity and the sustainable use of resources.

A set of about 40 sectoral strategies, adopted by the Albanian Government complement the strategic framework of the Integrated Planning System. The NSDI-II is organized around the EU

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[30] The National Strategy for Development and Integration 2015-2020 is approved by the government in May 2016

integration as the overarching goal; 13 cross-cutting foundations on good governance, democracy and rule of law; and four main sectoral pillars. The implementation of the NSDI-II is monitored through three sets of national monitoring indicators: (i) specific to EU integration as agreed between the Government of Albania and the EC; (ii) covering the 40 sectors, sub-sectors and major programs included in the NSDI-II; and (iii) macroeconomic indicators. The SDGs are integrated into NSDI II 2016-2020 including a specific Annex which shows the linkages between the pillars and sub-themes with the different SDGs. Albania was among the first countries to pilot the SDG 16 through a set of 21 governance indicators in 2015.

Through a UN Rapid Integrated Assessment tool, the level of integration of SDGs into NSDI II 2016-2020 and the various sectoral strategies was conducted in 2016. It has shown that out of the 169 SDG targets, 58 targets are aligned with the national policy, 72 targets are partially aligned, 19 targets are not aligned and 20 targets are not relevant for Albania. As a result, it is estimated that alignment of the SDG targets in the national policy in Albania is around 60%.

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

Integration of the three dimensions and resilience factors in Albania

Resilience is a capacity of persistence, transformation and adaptation, that can only be secured through an optimal fulfillment of sustainability in all the three dimensions of sustainable development – economic, social and environmental. The Rapid Integrated Assessment reveals the specific dimensions of all the SDG targets and their interlinkages both within the SDG framework and the reference to the national policy framework, as well as to the EU accession negotiation chapters according to the National Plan for European Integration 2014-2020. The following table illustrate such integration for SDG Target 1.1.

SDG Target	SD focus	SD Potential Interlinkages	Albanian Government related policy priorities (NSDI-II)	Albanian Government related policy priorities (other strategies)	Reference to the National Plan for European Integration 2014-2020 and EU	Albanian Government institutional framework responsible for the
1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.25 a day	Economic/Social	Goal 2 Food 2.1	NSDI II, Pillar 3: Investing in People and Social Cohesion, 11.5: Consolidating Social Protection; 11.3 Expanding Employment Opportunities; 11.1 Expanded, Better Quality Educational Opportunities; 11.6: Building a More Inclusive Society	National Social Protection Strategy 2015-2020, Strategic Objective A (A1-A5)	Chapter 19: Social policy and employment	IPMG Employment and Social sector, Ministry of Health and Social Protection
		Goal 4 Education 4.1, 4.3, 4.4, 4.6		National Strategy for Employment and Skills 2014-2020, Strategic Pensions Policy Document, 2014 (Social pension category). Draft Gender Equality Strategy 2016-2020	Chapter 17: Economic and Monetary Policy	
		Goal 8 Decent work and Economic growth 8.1				
		Goal 10 Inequality 10.1, 10.2, 10.3, 10.7		National Plan on Youth, 2014-2020, Strategic Objective 2		

Challenges and structural issues

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

To succeed in the implementation of the Agenda 2030 and the achievement of the national vision for the year 2030, Albania would engage in the process of **establishing a roadmap for the SDG implementation** process, which would help in identifying roles and responsibilities of the key institutions and other stakeholders in the process. The SDG roadmap would include financial implications deriving from the national commitment to the SDGs and would ensure further mainstreaming of the SDG implementation with the national policies and strategies.

The SDG framework provides a comprehensive opportunity **to identify gaps and accelerate policy action** in specific areas, particularly by monitoring development processes through the '*leave no one behind'* theme. Albania would continue to further align its strategic framework with the SDGs and use the monitoring mechanism of the SDGs for this important purpose.

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

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

In particular, the process of implementing the SDGs would require adequate resources and mechanisms to **use data and national indicators** for monitoring purposes. Strengthening statistical capacities at the national level is an important challenge in the process.

6. In-depth progress in the key priority areas.

a. Innovative and citizen-centered public services

At a glance

Goal 16: Peace, justice and strong institutions

Albania's Baseline Report on SDGs indicates that Goal 16 is 70% aligned with the national policy in Albania. Five targets: 16.1, 16.2, 16.3, 16.4, 16.5, 16.9 - are fully aligned and seven targets: 16.6, 16.7, 16.8, 16.10, 16.a, 16.b - are partially aligned with the national policies, particularly with Foundations: Good Governance, Democracy and the Rule of Law of the NSDI-II and key policy documents such as the Cross-cutting Strategy on Combating the Organized Crime, Illicit Trafficking and Terrorism 2013-2020, Action Plan for Children, National Strategy of Public Order 2015-2020, Cross-cutting Anti-Corruption Strategy 2015-2020, Cross-cutting Public Administration Reform 2015-2020 etc.

Availability of Global Indicators for Goal 16 in Albania	Readily Available	5
	Available with efforts	1
	Partially Available	3
	Not Available	12
	Not Applicable	2

SOURCE: ALBANIA BASELINE REPORT ON SDGs, 2018

Achieving 2030 targets in Goal 16, by indicators	Target 2030 achieved	2
	Intermediate target achieved	1
	Intermediate target not achieved	4
	No data or judgment impossible	15

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG DASHBOARD, MAPS MISSION

Under the innovative good governance, one of the six priorities of the Government of Albania to achieve sustainable economic and social development as set out in the National Strategy for Development and Integration (NSDI) 2016–2020, the focus is the transformation of service delivery in Albania through the citizen-centric approach. The overall framework for the modernization and transformation of institutions and practices of public administration in the country, with the vision of providing "high quality services for citizens and businesses in a transparent, effective, and efficient way through the use of modern technologies and innovative services, supports the achievement of Goal 16: "Promote just, peaceful and inclusive societies", particularly in Target 16.6: "Develop effective, accountable and transparent institutions at all levels" and Target 16.5: "Substantially reduce corruption and bribery in all their forms".

Since 2014, the Government of Albania has pursued a path breaking reform that reinvents the way public administration delivers services to its citizens. The on-going reform involves a fundamental shift from operating in a narrow or isolated departmental view within the government, to a more holistic citizen-centric approach. In the past, individuals demanding access to public services faced long queues, multiple visits, hard-to-find offices that lacked service windows, red tape, delays, arbitrary denial of services, and frequent requests for bribes. An engrained bureaucratic culture ran counter to customer care standards more prevalent in the private sector. Public service delivery was often considered an afterthought, illustrated by the considerable number of institutions with no dedicated service windows or service clerks. Time-

consuming and convoluted processes were considered the normal way of work, even if they made no sense. In most cases citizens were asked to bring in notarized copies of documents. This is why the reform relies heavily on innovation and the use of information technology to improve standards, procedures, and the organization of service delivery. In its initial four years, it has already made inroads to combat corruption, foster a customer-care culture, enhance public access, and increase efficiency in the Albanian public administration.

The approval by the Strategic Planning Committee (SPC) in April 2014 marks the beginning of initiatives by the government under the program "Innovation against corruption: Building a Citizen Centric Service Delivery Model in Albania", focused on the reform of administrative services for citizens and businesses in such areas like: property, transport, social and health insurance, civil registry, education, construction permitting, business registration and licensing. The Program consists of four main pillars related to:

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

ii. Front Office – Back Office separation and service delivery integration2, as well as the development of their delivery channels;

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

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

A long-term policy document on the delivery of citizen centric services by central government institutions in Albania is focused on four main pillars related to:

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

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

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

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

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

strategy by including further innovative activities in key areas of administrative reform. The implementation of this policy would result in:

  i. Reduced time and administrative burden for citizens and businesses;

  ii. Improved service access and delivery quality;

  iii. Increased number of satisfied citizens from government services;

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

At the institutional level, the key stakeholders involved in the implementation of the citizen-centric services reform include the Agency for the Delivery of Integrated Services (ADISA), the National Agency for Information Society (NAIS), as well as the institutional public service providers on scope. In view of improved quality and accessibility of public services and within the ambit of the re-engineering process and the nationwide new service delivery model that separates the Front Office ("FO") from the Back-Office ("BO"), ADISA has managed to take into administration the Front – Office of the Immovable Property Registration Offices and Integrated Citizen Service Center (CSC), offering public services at front offices pertaining to various institutions, in some of the main cities of Albania.

In all current CSCs under its administration, including the IPRO Front Office in Tirana, ADISA has set improved standards of service delivery based on customer care principles, especially with regard to:

- Ensuring an adequate working environment at its Front Offices and providing for continuous training of the FO staff;

- Equipping the CSCs and FO Tirana with the necessary signalization items and parking facilities, including children areas;

- Setting up a queue management system and providing for waiting areas;

- Establishing a Complaint Management System (CMS);

- Providing for the necessary infrastructure to allow access therein to people with disabilities (e.g. providing for ramps, dedicated restrooms etc.);

- Performance monitoring in service delivery.

In order to ensure the quality of and access to public service delivery but also to provide for a unified experience of citizens in the public service delivery process, ADISA has additionally standardized a total of 128 application forms for 301 public services and has drafted a total of 562 Informative Passports, the latter enabling citizens to inform themselves on the means of application for 562 public services, the required documents thereto, tariffs of application and means of redress etc. Once the aforementioned Information Cards on Public Services are validated, the latter are then administered in the respective Government Database, established and managed by ADISA.

In October 2016 ADISA inaugurated the ADISA Call Centre 11-800, which represents an added channel for information on public services. It gives expedited, accurate information on 508 public services which pertain to areas such as: property, transport, licensing, civil registry, business registry etc.

ADISA's engagement in collecting citizens' feedback at its Front Offices relies on two methods:

- Complaints Management System (CMS);

- Citizen Feedback Form (called the "Citizen's Voice Form").

The ADISA's CMS consists in registering, managing and tracking complaints. In the instance, filed complaint addresses ADISA's Front Office, such complaint is dealt with by the competent department at ADISA's HQ, which assess its admissibility, investigates the case and notifies complainant of the results thereof. Whereas, in the instance of complaints addressing the respective Back Office, ADISA transfers given complaint to the BO for assessment and notifies complainant on the status of its complaint. In any case, ADISA provides for tracking of complaints, while based on registered data it generates reports on the overall status of complaints pertaining to any given BO. In case of protracted evaluation of submitted complaints on part of the BO, ADISA recurrently notifies concerned BO of this fact and urges from the latter accelerated action with regard to case solving.

By means of the Citizen's Voice Form, ADISA collects citizens' opinion with regard to the quality of service delivery at its Front Offices. Citizens are thereby asked to express their opinion regarding their experience at the FOs. Collected data is thereafter evaluated and serves as the basis for ADISA's internal performance evaluation reports. ADISA has also commissioned the conduction of a baseline survey (conducted in March-April 2016), the overall objective of which was to yield data on citizen access to public services, citizen satisfaction with public services, use of e-government, and channels for service delivery and information to be tracked over time.

Furthermore, in order to collect citizens' feedback on service delivery at its Front Offices, to identify strengths and weaknesses thereof, to further determine feasible goals for improvement of quality and to measure citizens' satisfaction therein, ADISA has periodically conducted surveys before taking under administration any given Front Office and thereafter, i.e. surveys are conducted one month prior to taking into administration the Front Office and after that for the three months to follow on a monthly basis. After the first three months of administration of the Front Office, surveys are conducted on a six-month-basis. ADISA has also conducted focus groups for collecting citizens' feedback. Finally, citizens can avail themselves of the ADISA continuous web-survey for giving their opinion on the service delivery at ADISA's CSCs and FO in Tirana.

The improvement of the quality of public services is complemented by the activity of many other government institutions, particularly through the role of the e-Albania (National IT Agency) which leads the operations for building and maintaining the government e-infrastructure, database services, server hosting of all the government institutions, interconnectivity among the institutions and more important, the delivery of online government services, currently amounting to more than 500 services.

Among the key factors contributing to the continued progress in the citizen-centric service delivery reform in Albania, are:

i. **High-level political support**

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

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

ii. **Financing Secured**

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

iii. **Legal Instruments**

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

iv. **Strong Policy**

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

v. **Pilot Tests**

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

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

vi. **Ongoing Review**

At a glance

Goal 7: Affordable and clean energy

Albania's Baseline Report on SDGs indicates that Goal 7 is 90% aligned with the national policy in Albania. Four targets: 7.1, 7.2, 7.a, 7.b - are fully aligned and one target: 7.3 - is partially aligned with the national policies, particularly with Pillar 4: Growth Through Sustainable Use of Resources of the NSDI-II and key policy documents such as the National Strategy for Energy 2018-2030, National Action Plan on Renewable Energies 2015-2020, 2nd and 3rd National Action Plan on Energy Efficiency 2017-2020 and Gas Master Plan of Albania.

Availability of Global Indicators for Goal 7 in Albania	Readily Available	1
	Available with efforts	2
	Partially Available	0
	Not Available	2
	Not Applicable	1

SOURCE: ALBANIA BASELINE REPORT ON SDGs, 2018

Achieving 2030 targets in Goal 7, by indicators	Target 2030 achieved	3
	Intermediate target achieved	1
	Intermediate target not achieved	0
	No data or judgment impossible	2

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG DASHBOARD, MAPS MISSION

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

In the future the government through ADISA aims the territorial expansion and opening of at least (9) nine Citizen Service Centers in the Republic of Albania. In addition, at least 3 (three) Mobile Units shall be offering public services in the rural areas, thus bringing services closer to the citizens and increasing accessibility. Regarding the information for public citizens, a Mobile App shall be functional and offer information on public services, and book a ticket as well.

The transformational shifts in the way the state serves its citizens will continue over the coming years as embedded in the long-term policy on the delivery of citizen-centric public services. The goal in the next four years will be to become among the states with the smallest number of necessary documents required for delivering public services and we will continue going 'E', standing for effectiveness and efficiency, to impact the service delivery experience for all citizens and businesses in Albania.

b.   Recovery and financial consolidation of the energy sector

The Energy Strategy for Albania 2018-2030 is the core strategic document for the country's energy sector. It is consistent with the national efforts to sustain economic development, and meet commitments to the Energy Community and EU integration and other international agreements, while increasing the security of energy supply and minimizing environmental impacts with affordable costs for Albanian citizens and the economy. Albania's strategic objectives in the energy sector are fully aligned with the Goal 7: "Ensure access to affordable, reliable, sustainable and modern energy for all" and all the Targets included in this Goal.

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

The challenges currently facing the Albanian energy sector include:

- Meeting the economic developments in different sectors and the growing level of energy consumption per capita;
- Improving the trend of energy intensity reduction;
- Enhancing security of energy supply by improving energy efficiency, increasing the share of renewables and other indigenous energy sources, and increasing welfare through regional cooperation and integration.

In this context, the government in 2013 faced significant challenges in the electricity sector, due to the failed privatization procedure of the national distribution operator, which inherited a deteriorating performance and was subsequently put into an interim administration preventing the company to invest in the system for a considerable period. The company had accumulated a significant debt that threatened to paralyze the entire energy system in Albania and posed increasing fiscal risks to the budget. Losses in the electricity grid reached almost 46% in 2013 and collection rates had declined over time, contrary to the expectations from the failed privatization of the distribution company.

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

This reform was achieved through strong and coordinated commitment and engagement of all government and public entities relevant to the electricity sector, the adoption of specific legal and tariff reforms, and substantial investments in the electricity grid. The government adopted an Action Plan for the electricity sector, which established a task-force in charge with the management of the reforms for the improvement of the performance in the electricity sector. The government successfully concluded the negotiations for the re-nationalization of the post-failed privatization distribution company and reached an agreement with the World Bank for investments in the sector and reforming of the system.

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

As part of Albania's strategic objective to accede to the EU, the Government has worked to align its legislation with the legal framework of the EU *Acquis communitaire*. Referring to the EU Progress Report 2012 for Albania, some of the EU recommendations for the energy sector were as following:

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

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

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

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

The above EU recommendations served as the drivers for implementations of certain reforms in the energy sector to address them. The developments in energy final consumption, in 2013 indicate the domination of fuel products. Transport sector was the greatest energy consumer, with about 40% of the final total consumption, followed by the residential sector (27%), industry (17%), service sector (9%) and agriculture (5%). Albania has changed from an energy exporter into an importer. For this reason, the generating capacity extension is one of the main priorities of energy policies sector. The future development of energy capacity has been planned mainly along the rivers Mat, Vjosa, Devoll and Bistrica.

The Albanian government has been focused on the diversification of its supply with energy and the promotion of other renewable energy resources, such as biomass, solar energy and wind energy. Albania has a considerable potential of RES. Its solar power potential has been assessed in 1,500-1,700 kWh/m^{2}per year. The country has also unexploited potentials of wind power, especially along the Adriatic coastline. Albania aims to further approximate its legislation with the EU *acquis*, implementing the EU – Albania Stabilisation and Association Agreement, respecting the European 20/20/20 Targets and to fulfil its obligations under the Treaty of the Energy Community.

Strategically, Albania addresses the new RES law, regulations and institutional reforms currently including incentives for RES share on electricity tariff reform, market development and integration with EU and regional markets. The 2030th RES development Strategy aims to achieve: (i) Reduce energy imports and increase domestic RES electricity generation to meet 2030 demand by diversifying the RES sources not only with hydro, but with solar PV and Wind power generation. (ii) Increase the use of RES technologies, based on least-cost planning and environmental protection principles through development of mechanisms to encourage foreign direct investment in the Albania energy sector.

Currently for the first time a new incentivizing scheme for Solar Photovoltaics and Wind mills has been developed and put in place for smaller plants up to 2 MW for solar and 3 MW for Wind, and starting from 2017 a large number of investors has applied for participating in the scheme. Following this first step an auction scheme for the deployment of larger plants will be put in place. The capacities of these technologies to be supported has more than doubled from the previous National RES action plan to the new 2018-2020 Renewable Action Plan.

The RES electricity share on domestic production by 2030th will be more than 90% and the share of RES in domestic consumption will be 44%. Albania target for the 2020 is 38% RES share of energy mix consumption rate.

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

The National Energy Efficiency Action Plan 2017-2020 was adopted by the government in December 2017, while the National Renewable Energy Action Plan 2018-2020 is being revised. According to these documents, the cumulative final energy savings target up to 2020 for Albania is of 123.7 ktoe (6.8%) while the final target for Albania RES for 2018-2020 will be 38%.

c. Fostering innovation and competitiveness, FDIs and domestic investments

The Government of Albania wishes to encourage private sector investment in the country to help meet its development goals and achieve Goal 8: "Promote inclusive and sustainable economic growth, employment and decent work for all" and Goal 9: "Build resilient infrastructure, promote sustainable industrialization and foster innovation", in particular by accelerating private sector growth and creating jobs. This vision is outlined in the Business and Investment Development Strategy for the period of 2014-2020 and support national goals, and the National Strategy for Development and Integration 2016-2020. Accordingly, the Government of Albania strives to design and implement a reform agenda to promote domestic and foreign investment and maximize benefits for the citizens of Albania. The Albanian Investment Policy Statement outlines the investment policy principles and a first set of reforms to be implemented by the Government to support this objective. The Government of Albania recognizes that both domestic and foreign private sectors have important roles to play in contributing to the country's development goals. In particular, the Government of Albania recognizes that foreign direct investment, as well as non-equity modes of investment, the latter referring to contractual relationships between foreign and domestic investors in the form of franchising, licensing, contract manufacturing, services outsourcing and other similar forms, can bring multiple benefits to the economy.

Strong need to attract foreign direct investments is necessary to boost the economic growth and enhance competitiveness. The lack of a qualified work force, high informal economy, weak monitoring of protection of intellectual property rights, etc. coupled with the necessity to have capable and responsive public administration remain among the main concerns to foreign investment in Albania. Yet, the

Albania's Baseline Report on SDGs indicates that Goal 8 is 79% aligned with the national policy in Albania. Eight targets: 8.1, 8.2, 8.3, 8.6, 8.7, 8.9, 8.10, 8.b - are fully aligned and three targets: 8.4, 8.5, 8.8 - are partially aligned with the national policies, particularly with Pillar 1: Growth Through Macro-Economic and Fiscal Stability, Pillar 2: Growth Through Enhanced Competitiveness and Innovation, Pillar 3: Investing in People and Social Cohesion, Pillar 4: Growth Through Sustainable Use of Resources of the NSDI-II and key policy documents such as the Business and Investments Development Strategy 2014-2020, National Cross Cutting Strategy for Employment and Skills 2014-2020, National Action Plan on Youth 2014-2020 etc.

Availability of Global Indicators for Goal 8 in Albania	Readily Available	6
	Available with efforts	1
	Partially Available	2
	Not Available	7
	Not Applicable	1

SOURCE: ALBANIA BASELINE REPORT ON SDGS, 2018

Achieving 2030 targets in Goal 8, by indicators	Target 2030 achieved	4
	Intermediate target achieved	6
	Intermediate target not achieved	13
	No data or judgment impossible	9

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG

predictability of the investment regime needs to be improved. The current investment regime is regulated by many laws, and sectorial laws, requiring the unification of the current regulatory regime to attract more investment. Providing an appropriate legal and regulatory framework is the first need for the sector by enhancing and modernizing the legal framework for investment in line with best international practice and promoting the development and application of good international standards and practices.

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

This reform is targeted at creating a comprehensive investment legal framework for domestic and foreign investors compatible with international good practices, and at developing a mechanism to systematically address investor grievances and increase investment retention. The

proposed reform is part of the priorities of Government Program, ERP 2018 - 2020[31] under boosting trade reform measure, Pillar I "Integrated Growth of SEE 2020, BIDS 2014-2020, and contributes to the increase of competitiveness. The above mentioned actions will increase the attractiveness of the country for all types of investment, including foreign and domestic investments.

As a result, procedures for business registration and market entry are further streamlined. A single service window for business registration and licensing became operational in April 2016, also offering online services. The number of newly registered businesses more than doubled in 2015, reflecting multi-pronged government action against widespread informality. The government has established an inter-ministerial working group for preparing a unified Investment Law and it plays a key coordinating role of the investment reform. Albania has a special law on the Albanian Investment and Developing Agency and it continues to address institutional issues outside the law of investment.

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

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

Government's efforts to resolve grievances will boost investor confidence, help retain investment and encourage existing investors to expand operations, while addressing systemic issues in public sector agencies of Albania. Through the Investor Grievance Mechanism is expected to be retained around 60 million USD in investment. These benefits include the flow of additional capital, the creation of employment, including high-skilled jobs, the transfer of technical and managerial know-how, and improved access to international value chains and distribution networks of multinational enterprises. The investment climate reform is aimed to promote domestic and foreign investment based on the following goals:

- ➢ Steady economic growth of the country

- ➢ Business-friendly environment

- ➢ Free flow of goods, services and capital

- ➢ Boosted investments

- ➢ Increased region's industry potential

- ➢ More jobs created

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[31] Approved by the government in January 2018

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

(a)   Provide an efficient, effective and transparent system for attracting and carrying out investment;
(b)   Enhance and modernize the legal framework for investment in line with best international practice; and
(c)   Promote the development and application of good international standards and practices regarding investment.

The focus of the efforts of the government over the recent years has been devoted particularly on new employment generation activities. The National Employment and Skills Strategy 2014-2020 puts the knowledge and skills at the heart of the economic model and is expected to trigger an inclusive long term growth. NESS goal is to promote jobs and skills opportunities for all Albanian women and men. This strategy represents one of the strongest commitments of the Albanian government to citizen's welfare. In 2015, the European Union committed support to NESS by selecting it to receive a Budget Support through a Sector Reform Contract (SRC). Annual monitoring and reporting of NESS fulfills the obligations under SRC to receive the budget support. The progress made in employment and skills sector reforms till December 2015 were acknowledged by EU and the first budget support was disbursed. NESS 2014-2020 comprises of 52 policy actions to be implemented over a 7-year period. During 2016, out of these 52 actions, 48 actions or 92% of the total actions have been initiated.

The high youth unemployment and high unemployment even among well-educated people are signs of the need for improved quality and relevance of the education received. A large share of enterprises report lack of appropriately skilled workers. The new law on higher education was adopted and preparations for accrediting

higher education institutions started as well as the implementation of the new decentralized selection procedure for university admission. Albania's capacity for technological absorption and research, development and innovation is relatively low. Key obstacles include low expenditure on research and development (about 0.4 % of GDP); weak links between the scientific and private sectors; as well as fragmentation of the national research and innovation system. As a result of this weak innovation policy infrastructure, almost all sectors of the economy mainly provide low-technology, labour-intensive and low-cost products and services. Increased funding and a more focused RDI strategy in a number of specific sectors, particularly in energy, agro-food and sustainable tourism, would support the efforts of the government to attract investment.

Public spending allocated to vocational education, labour market and employment measures amounted to 28 Mio Euro in 2016. Public funding allocated to vocational education increased 33% annually; funding spent on labour market and employment increased by 11% if compared with 2015. The actions implemented under NESS strategy have triggered positive impact on labour market participation and employment overall. From 2015 to 2016 employment has increased by 6.5 % and official unemployment rate (15-74 years old) has decreased by 1.9 percentage points. Youth (15-29 years old) unemployment rate is 28.9 %, (29.7 % for males and 27.8 % for females). Compared to the previous year, youth unemployment rate has decreased by 4.3 percentage points.

A major milestone of the government reform in this priority was the improvement of the quality of the employment services. The National Employment Service (NES) of Albania had been fully transformed and operated under the New Service Model in 6 reconstructed offices in 2016. Employment services offered are improved, including counseling services and mediation. NES has invested in improvement and operationability of its IT system, linked with other national databases, supporting job match and internal management. Seven national employment programs were implemented in 2016.

The vocational education sector has received substantial investments during the recent years. Enrolment and participation rate in vocational education and vocational training kept progressing, total number of VET participants is reported to 35.4 thousand individuals in 2016 increasing by 16% compared to 2014. Number of participants in short training courses was reported stagnant compared to 2015, however in aggregate number of trained individuals increased by 25% if compared to 2014. The number of VET schools was reduced from 39 in 2015 to 35 in 2016. Efforts to establish multifunctional VET centers started in various cities with the support of the IPA 2013 VET project. However, discussions on what the multifunctional model of VET schools will be is yet under discussions and existing practices are being evaluated.

The employment strategy has led to significant result in reducing unemployment, however labor market outcomes are not yet generating a strong impact on marginalized groups employment. While male long term unemployment declined in 2016 if compared to previous year, women long term unemployment experienced an increment of around 2%. Young female unemployment and young male unemployment, both declined by 7%and 2.7% respectively, if compared with 2015. Unemployed jobseeker benefiting from employed job seekers were 10% of the total registered unemployed. Unemployed individuals from marginalized groups, as roman and Egyptians were only slightly benefiting from training and employment programs.

Governance system of the NESS has strengthen skills and capacities to develop evidence-based policies, more effective planning and management system, optimization of education and training service delivery and adopt risk mitigation mechanisms. In view of accession into the EU common market, the government would continue to improve the quality of regulations affecting the daily business operations. Albania showed an improvement in the World Bank Doing Business (DB) 2017 report, and the Global Competitiveness Report 2017-2018.

The implementation of Multi-annual Action Plan on a Regional Economic Area in the Western Balkans (MAP 2017-2020), signed at the Summit in Trieste on July 2017, in accordance with SEE2020 components, will enable unobstructed flow of goods, services, capital and highly skilled labour, making the region and Albania too, more attractive for investment and commerce, accelerating convergence with the EU thus bringing prosperity to Western Balkans citizens. These actions are designed to help the private sector reap the economies of scale of a 20 million market, and refocus the growth model towards more indigenous, long-term driven growth. They are focused on:

➢ promotion of further trade integration;

➢ introduction of a dynamic regional investment space through developing of regional investment Agenda;

➢ facilitation of regional mobility;

➢ creation of a digital integration agenda.

d. Integrated water management

Albania has abundant resources of water, being among the richest countries with water resources in Europe. The country has seven large rivers, about 150 other smaller rivers and three major lakes. The hydrographic basin of Albania has a total area of 43,305 m2, of which 28,748 m2 are located within the territory of Albania and remaining is located outside the national borders of the country. The river catchments of the Drini and Vjosa are shared with Greece, Montenegro, the former Yugoslav Republic of Macedonia and Kosovo.

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

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

At a glance

Albania's Baseline Report on SDGs indicates that Goal 6 is 55% aligned with the national policy in Albania. Two targets: 6.1, 6.2- are fully aligned, five targets: 6.3, 6.5, 6.6, 6.a, 6.b - are partially aligned and one target: 6.4 is not aligned with the national policies, particularly with Pillar 4: Growth Through Sustainable Use of Resources of the NSDI-II and key policy documents such as the Strategy for Integrated Water Management, National Strategy of Water Supply and Sewage, Cross cutting Environment Strategy 2015-2020 , Integrated Water Resource Management Strategy 2016-2020 etc.

Availability of Global Indicators for Goal 6 in Albania	Readily Available	2
	Available with efforts	0
	Partially Available	2
	Not Available	7
	Not Applicable	0

SOURCE: ALBANIA BASELINE REPORT ON SDGS, 2018

Achieving 2030 targets in Goal 6, by indicators	Target 2030 achieved	3
	Intermediate target achieved	1
	Intermediate target not achieved	0
	No data or judgment impossible	2

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG DASHBOARD, MAPS MISSION

Drinking water supply and sanitation services in Albania are provided below production costs in most part of Albania. While this makes them affordable, they are neither technically nor economically sustainable. Almost 81% of households in 57 municipalities receive the drinking water and sewage services, whereas in rural areas this indicator is down to only a half of all the households. Although roughly 50% of domestic wastewater is collected in existing sewage networks, most of it is discharged, untreated, into surface waters. Seven wastewater treatment plants are currently in operation, but these treat only about 10% of the total amount of wastewater generated in Albania.

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

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

- Improve water supply and sanitation services;

- Construction of water and waste water infrastructure and wastewater treatment plants and maintenance and operation in a sustainable way for existing ones;

- Strengthening the institutions, as well as management and operational capacities;

- Rehabilitation and modernization of the existing infrastructure related to irrigation, drainage and flood protection;

- Identify, assess and monitor disaster risks and enhance early warning systems;

- Strengthening of disaster preparedness for effective response at all levels.

- Preparation and implementation of the river basin management plans

- Monitoring the water users, river basin – based;

- Rehabilitation of the damaged river beds

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

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

As part of the regional strategic planning, the Government of Albania has contributed to the preparation of the South Eastern Europe 2020 Strategy, including also the preparation and adoption of the National Action Plan. In particular, Pillar 3 (environment) focuses on water-energy-food nexus, water infrastructure and integrated water resources management. The strategy sets the policy objectives and measures for improving the sector performance:

- Expand and improve the quality of water supply and sewerage services;

- Orient water utilities towards the principles of cost control and full recovery costs;

- Improve governance and regulation of the sector;

- Invest to increase capacity of the sector workforce;

- Progress towards convergence of Albanian law with EU water directives

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

analysis and investments, floods emergencies and national plans on civil emergencies, financing capital investments in the sector etc. The Ministry of Agriculture and Rural Development is the leading government institution on policy and strategy preparation for water. The Water Regulatory Authority is the independent regulator responsible for setting the water tariffs and licensing the water utilities. The national agency for water supply and sewerage is responsible for the management of these services, benchmarking of the utilities and monitoring their performance, contract-based.

The draft National Sector Programme 2018 – 2030 for integrated water management sets the key pillars for the water sector in the future. The aim is to integrate all the water-related issues into one single political and strategic document. The vision of the water sector is "Albania, until 2027, shall be a country with efficient use of water, integrated and operational water resources management which includes a complete monitoring system, flood risk management and water scarcity. The water resources management is based on the principles of equity and sustainability for equal social economic – gender benefits, and environmental justice for current and future generation". The National Strategy on Integrated Water Resources Management 2018-2027, as adopted by the government in February 2018, sets the main strategic objectives with associated respective targets to be met, up to the year 2027:

- Ensure fair and sustainable use of water resources in order to meet all the needs by applying the respective legal framework prepared and adopted in compliance with the EU Directives;.
- Ensure the "good quality" status for all the water resources up to 2027 by applying the respective legal framework prepared and adopted in compliance with the EU Directives ;
- Face the risks generated by the water scarcity (droughts) and floods through management and investments, in order to meet all the needs, by applying the respective legal framework prepared and adopted in compliance with the EU Directives;
- Ensure models and data on water and climate widely accepted and reliable for all the stakeholders and offering advice on preparation of appropriate policy, based on these models and data from the relevant institutions which own them;
- Sustainable water management, all inclusive, in order to meet all the needs, offering equal socio – economic benefits and including also future generation in the decision making process , according to the principles of the IWRM and EU.

The next steps in the implementation process include:

- Strengthening the legal framework in compliance with the EU legislation;

- Final adoption of the strategic and policy documents under preparation;

- Strengthening the sub-thematic groups and their role on the implementation of the national sector programme for water;

- Strengthening the administration offices for river basins;

- Strengthening monitoring system and full implementation of the GIS water information system;

- Adoption of the prepared river basin management plans, as a guideline for planning and management at river basin level;

- Fully establishing the agency for water resources management.

At a glance

Albania's Baseline Report on SDGs indicates that Goal 2 is 65% aligned with the national policy in Albania. Three targets: 2.1, 2.a, 2.b - are fully aligned, four targets: 2.2, 2.3, 2.5, 2.c - are partially aligned and one target: 2.4 - is not aligned with the national policies, particularly with Pillar 2: Growth Through Increased Competitiveness, Pillar 4: Growth Through Sustainable Use of Resources of the NSDI-II and key policy documents such as the National Action Plan on Food and Nutrition 2013 – 2020, Inter-sectoral strategy for agriculture and rural development in Albania 2014-2020, Strategy for Irrigation and Drainage etc.

Availability of Global Indicators for Goal 2 in Albania	Readily Available	4
	Available with efforts	2
	Partially Available	1
	Not Available	6
	Not Applicable	0

SOURCE: ALBANIA BASELINE REPORT ON SDGs, 2018

Achieving 2030 targets in Goal 2, by indicators	Target 2030 achieved	1
	Intermediate target achieved	6
	Intermediate target not achieved	8
	No data or judgment impossible	4

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG DASHBOARD, MAPS MISSION

e. Integrated land management

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

During 2011, in Albania there were 388,697 farm families, the average area of family farms being of 1.26 ha of owned land divided in 4.7 parcels and the average area of parcel being of 0.27 ha. According to the official data of June 2014, the number of farm families dropped to 352.315, with an average of land owned by each farmer household of about 1.16 ha. Around 46% of farms have an area under 1 ha, while 86% under 2 ha. The total area of the agriculture land of 696,000 ha comprises 24% of the entire territory of the country. Out of the total agriculture area, 562,000 ha or 80% is under private ownership and 134,000 ha or 20% is under public (state) ownership. However, due to informal constructions, enlargement of the urban area and public infrastructure investments on agriculture land, the publicly owned land fund is reduced. The work is in process to check and revise the data and to make adjustments in the cadastral documentation.

To attract foreign investments and promote domestic economic activity the government is committed to improve property rights and land management and to reduce the current constraints to creating a strong land market. The challenges of the land sector are negatively affecting the economic development in key areas of the country, such as the coastal zone. This has created significant risk that deters investment in land, restricts the land market and is slowing the transition to a viable modern economy.

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

- Improve the system of property rights, property titles, registration and restitution (property titles issuing/registration completion)
- Establish an Integrated Multipurpose Cadaster (Unique map, property tax-value based);
- Empower land market (capitalization & circulation, land consolidation (tourism & agriculture), land easement instruments, land access tools, land professionals and land services etc.);

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

The Governance Structure of the Integrated Land Management System Reform (ILM) is composed by the: (i) Inter-ministerial committee; (ii) Inter-institutional Working Group; (iii) Technical Secretariat; The Inter-Ministerial Committee is the high-level leading, overseeing and decision-making governance structure for the implementation of the Reform. The Technical Working Group set up is composed by technical level representation from the main governmental institutions involved in land and property management. The Technical Secretariat is composed by representatives from the property related institutions. The Technical Secretariat is in charge to support and coordinate the work on the implementation of the Reform, the work of the Technical Working Group, supervise the implementation and report progress to the Inter-Ministerial Committee.

A formal market of rural land (sale and rental) is not yet fully developed in Albania. As of 2007, less than 2% of the rural households had sold land on the formal market since the beginning of the privatization, and only 3.6% had rented their land. It is estimated that 6% of the households' farms have rented out their land and the average farm size is slowly increasing showing that the landowners are transacting land among themselves. The agricultural land market is still not fully developed. During the year 2010, about 3600 land transactions have been recorded for a surface of 830 ha agricultural land. During the years 2011-2015 an average of about 3150 land transactions have been recorded for a surface of 750 ha agricultural land per year.

The issue of restitution and compensation for pre-communist period landowners continue to be not fully resolved in Albania preventing many citizens from taking full ownership of the land they are entitled to posses. Although the legal framework adopted after '90's recognize the right of ownership to

all former owners or their heirs for property which had been nationalized, expropriated, or confiscated according to legal acts, sub-legal acts, and court decisions issued after November 29, 1944, or taken illegally by the state by any other method, for different reasons the restitution and compensation of properties is not fully resolved. To address this problem, a new legislation was adopted by the government in 2015, subject to regulation and a fair reward of issues of ownership right, which is born from expropriation, nationalization or confiscation, in accordance with Article 41 of the Constitution and Article 1 of Protocol 1 of the European Convention for the Protection of Human Rights and Fundamental Freedoms; creation and administration of the Compensation Fund, which will serve for compensation of property; establishment of procedures for handling property and completion of property compensation process, as well as administrative bodies in charge of implementation.

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

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

To enable proper functioning of the market, stimulate economic activity and regulate the property registration system, the Albanian government has accelerated the legalization of illegal buildings process. Illegal constructions were wide-spread throughout the country and a process of legalization supports the citizens to make use of their investments, contributes to economic growth and provides additional opportunities for property tax collection. The legalization process supports the integration of the residents in the society, to obtain and have access in the offered services, but on the other hand to undertake

obligations arising from the law, through the payment of taxes and other obligations arising from possession of these properties.

The Agency for Legalization, Urbanization and Integration of Informal Buildings (ALUIZNI) **is** the responsible state structure for the implementation of the Law "On the legalization, urbanization and integration of illegal constructions", to carry out the process of legalization and coordination of this process on a national scale. ALUIZNI is providing a new model citizen service, which increased positive impact and credibility of citizens for the legalization process, through the needed legal changes, to speed up the procedures administrative, in aim achievement of his final mission. As a result, during the period 2014- March 2018, the number of legalization permits issued was 119.961 permits across Albania, a number 5.5 times higher than the permits issued during the period 2006 -2013.

Registration of the properties

Completion of the first registration and full digitalization of data is the main challenge faced by the immovable property registration system. The first registration process of immovable properties in Albania started in 1993 and it continues up to date. In order to administer the register of immovable properties, the territory of Albania has been divided into 3057 Cadastral Zones, of which *2919* are in rural areas and 138 in urban areas. The first registration process of immovable properties has been completed in 2698 Cadastral Zones. The number of registered properties is approximately 3.5 million real estates out of a total of 4 million real estates. The first registration is ongoing in 21 Cadastral Zones including around 156.000 real estates.

Updating and improving digital data on registered properties

Complete digital data on immovable properties, including the Register (alphanumerical information), the Cadastral Map and the legal documentation are uploaded and updated in the digital system of registration of real estates. The initial registration has been completed only for 126 cadastral zones, out of 2698 cadastral zones. Based on the Law "On immovable property registration", the local offices have started updating the digital register (alphanumerical information on real estates) based on the citizens' applications. So far the digital register was updated for 1,254,014 real estates. As of September 2016, IPRO has started the process of updating and improving the digital data of immovable properties, which are only in hard-copy version.

Restitution and compensation of former owners

The Albanian government has adopted and action plan and in 2015 introduced through legislation, a mechanism to effectively resolve the property issue in Albania, through the compensation or restitution of properties to former owners, over a period of 10 years. A digital system has been made operational at the government agency in charge with the compensation or restitution of properties, to secure adequate information on the properties in Albania, calculate the compensation funds, avoid overlapping and improve the transparency of the process. The government aims to complete the calculation of the financial impact of the process by the end of 2018. More than 17,000 restitution and compensation decisions have been considered, out of the 26,000 decision taken so far. In addition of the compensation

funds distributed, about 323 hectares of land from the agricultural land fund have been distributed to former owners during the period 2016-2017.

f. Financial structural reform

Emerging from the collapse of communism as one of the poorest countries in Europe, Albania experienced a rapid annual growth of nearly 6 percent, achieving a middle-income country status by 2008. The rapid pace of growth helped the country narrow the per capita income gap with the rest of Europe, from 18 percent of average European Union (EU) incomes in 1998 to 30 percent by 2012.

However, in the aftermath of the global financial crisis, Albania's growth decelerated, and progress has since been reversed. Since 2008, Albania's real GDP growth has slowed down significantly, triggered by the global financial crisis and the weak euro area growth. Albania's economic growth averaged less than 3 percent a year in real terms between 2009 and 2012, sinking to an average of 1.9 percent a year during 2013–2015.

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

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

The financial structural reform was focused to improvements in the government revenues collection. As an essential component of the fiscal policy, the structural reform is an efficient instrument for enhancing innovation and competitiveness, through facilitation of business and economic development and macroeconomic growth and fiscal stability. As established in the Strategy for the Management of Public Finances[32] for 2014-2020, measures to improve the revenue collection in Albania include:

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[32] Approved by the government in December 2014

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

Albania's fiscal position deteriorated after the global financial crisis, but the government has taken important steps to stabilize public finances since 2013. After clearing a large share of arrears to the private sector in 2014, Albania's fiscal deficit initially widened to 5.2 percent (from 3.5 percent of GDP in 2010). Revenues as a share of GDP declined from 25.9 percent in 2010 to 23.8 percent in 2013 due to fiscal easing and slower economic activity. As revenues fell, so did spending, and in particular capital expenditures, but at a slower pace. In addition to fully clearing accumulated arrears by end of 2015, the government implemented consolidation measures and introduced reforms to alleviate the long-term fiscal burden of pensions and energy subsidies. In 2013 the government also acknowledged arrears initially estimated at 4.8 percent of 2013 GDP. In 2014, the government cleared arrears worth 2.4 percent of GDP in 2014 and an additional 1.3 percent of GDP in 2015.

Fiscal results remained on track over the recent years, supporting Albania's macroeconomic stability. Revenues for the first 11 months of 2016 were up by 7.3 percent over the previous year. Tax revenues increased for almost all categories with social security contributions VAT and CIT contributing the most. Nevertheless, VAT, PIT and excises underperformed against the plan, leading to a shortfall of -1.1 percent from tax revenues. Fiscal spending (excluding arrears repayments) increased by 2.8 percent in comparison to the same period in 2015 almost entirely on non-energy subsidies and transfers to local governments. The budget generated important savings from lower interest rates, subsidies to the energy sector and subsidies to the pension scheme, thus benefiting from earlier reforms initiated in 2014, despite capital spending remaining slightly under-executed. Since 2016, a positive primary balance (primary surplus) has been recorded, compared to a primary deficit of 2.3% in 2014. Tax revenues are increased considerably in recent years from 22.2% of GDP in 2013 to about 26% of GDP in 2017, driven by tax policy measurement and improved tax administration. The reform against informality also helped to increase revenue collection.

Public debt increased from 2008 to 2015, where it reached the peak at 73.7% before starting to fall in 2016. In 2008, public debt stood at 54.7 percent of GDP, but loose fiscal policy and a depreciation of the Lek caused it to climb to 59.4 percent by 2011. Fiscal pressures rose further during the energy shortage in 2012, when the government supported the power generation company by providing guarantees. In the runup to the 2013 elections, Parliament revoked the 60 percent of GDP public debt limit, without proposing any other fiscal or debt anchor. The public debt climbed to 70.4 percent in 2013 driven by both the electoral pressures and the recognition – i.e., inclusion in the stock of public debt – of the government arrears. About 55 percent of Albania's public debt has a floating interest, exposing Albania to interest rate risks.

Albania's Baseline Report on SDGs indicates that Goal 17 is 59% aligned with the national policy in Albania. Two targets: 17.1, 17.13 - are fully aligned, seven targets: 17.10, 17.11, 17.14, 17.16, 17.17, 17.18, 17.19 - are partially aligned (other targets are not applicable to Albania) with the national policies, particularly with Pillar 1: Growth Through Macro-Economic and Fiscal Stability of the NSDI-II and key policy documents such as the Albania Public Finance Management Strategy 2014 – 2020, Mid-term Strategy on the Management of Public Debt, 2014-2017, Business and Investments Development Strategy 2014-2020, Guideline for Preparation of a Enabling Environment for Civil Society, National Plan of Statistics etc.

Availability of Global Indicators for Goal 17 in Albania	Readily Available	8
	Available with efforts	4
	Partially Available	2
	Not Available	7
	Not Applicable	4

SOURCE: ALBANIA BASELINE REPORT ON SDGs, 2018

Achieving 2030 targets in Goal 17, by indicators	Target 2030 achieved	8
	Intermediate target achieved	9
	Intermediate target not achieved	4
	No data or judgment impossible	12

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG DASHBOARD, MAPS MISSION

Nevertheless, the Government continues to reduce its reliance on short-term domestic debt and make efforts to develop its domestic debt market. Public debt is estimated at 72.7 percent of GDP in 2016, as the government achieved a positive primary balance of 0.2 percent of GDP. The fiscal policy for the period 2018-2020 is clearly oriented towards fiscal consolidation, while providing an optimum level of investment of about 5 percent of GDP on average. Fiscal consolidation and the reduction of public debt is essential for reducing macroeconomic risks, which hinder economic growth and cause macroeconomic instability. The fiscal consolidation aims that the debt to GDP ratio continues its downward trajectory which started back in 2016. Public debt is expected to fall at the level of 68.7 percent of GDP in 2018, 66.4 percent of GDP in 2019 and 63.5 percent in 2020.

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

The Economic Reform Programme for the medium-term 2018 - 2020 outlines the main macroeconomic and fiscal policies aiming to establish the clear balance between the internal strengths and external threats, with a view to enable sustainable growth, increased employment and reduced public debt. In addition, the ERP introduces the priority

structural reforms planned by the government in the medium term future for increasing domestic production, stimulate new investments and ensure sustainable growth and increased competitiveness. The GoA‟s priorities are oriented toward fiscal consolidation and improved public expenditure management, reduction of infrastructure deficits, regulatory and institutional reform and improvement of social protection systems. The proposed reform measures have been designed to address binding constrains to growth and boosting competitiveness, while enabling Albania to compete and effectively participate in the regional and global value chains.

The banking system continues to be stable but is exposed to risks. Banks overall maintain adequate buffers to absorb shocks as capital adequacy and liquidity ratios largely exceed the regulatory requirements. The financial sector, which strongly supported high consumption before the crisis, was hit with rapidly rising NPLs after the global crisis. Problems of portfolio quality became apparent in the years after the global crisis, and the NPL ratio climbed from 6.5 percent in 2008 to 24.9 percent by end-September 2014. NPLs decreased to 18.2 percent as of end-December 2015, mostly due to the enforcement of a Bank of Albania regulation requiring banks to write off NPLs categorized in the 'lost' category for more than three years, before increasing to 21.3 percent in September 2016.

The sharp rise in NPLs was driven by several factors. These include, inter alia, large government arrears (totaling over 5 percent of GDP in 2013), overexposure toward sectors such as construction, and loans in foreign currency to unhedged borrowers. In addition, several other factors were key in hindering the decline in the high NPL ratio, such as, tightening of regulatory standards, sluggish credit growth due to low demand for loans, chronic judiciary weaknesses, which prolonged the collateral execution process, and continued deleveraging pressures from foreign banks.

In August 2015, the Prime minister and the central bank governor endorsed a comprehensive twelve-point NPL Action Plan to reduce the stock and flow of NPLs. The central bank has progressed in detailing the status and outlook of the 35 large syndicated exposures responsible for more than half of the NPLs in the country. The NPL's reduction Action Plan includes measures that tackle both the stock and the flow of NPLs in the future:

- Drafting the new Bankruptcy Law that aims, among others, to regulate bankrupt company restructuring, and better protect creditors' rights.
- Amending the Code of Civil Procedure to improve collateral execution process, including change to enable introduction of success fees for private bailiffs.
- Amending the Law 'on registration of the immovable properties' to enable the registration of properties under construction that can be placed and clearly identified as collateral.
- Amending the law 'on securing charges' aiming to correct issues with definition and use of intangible assets (including financial assets) as lending collateral.
- Extending the deadline for relaxation of prudential measures undertaken by the BoA in 2013 to stimulate lending by banks.
- Changing the terminology in the BoA's Credit Regulation with regard to NPLs write-offs, to make it clear that the obligations of the debtor are not extinguished after the classification of the loan as off-balance sheet item.

- Amending the accounting depreciation term limit imposed by the BoA for the real estate collateral held by banks.
- Addressing the issue of 35 large defaulting groups that are responsible for more than 50 percent of NPLs. The BoA will draft a detailed action plan to tackle the large borrowers.
- Relaxing the BoA's licensing and supervision requirements for subjects that buy and manage NPLs.
- Upgrading the Credit Register operated by the BoA. In the short term, the register needs to include information on borrowers' legal cases and restructurings, and in the long term, the register will incorporate a credit scoring system.
- Introducing mandatory requirement (entering in force from January 2018) for banks to grant loans based only on fiscal declarations.
- Under the BoA's endorsement, commercial banks are to adopt a framework agreement that enables voluntary out of-court debt restructuring.

The banking sector has remained resilient, with adequate capital and liquidity, although key channels of vulnerability remain. The BoA has been vigilant in mitigating risks through instituting capital adequacy and solvency ratios that are above international norms and putting in place stringent provisioning rules. Credit growth returned to positive in the second half of 2014 and continued to be positive in 2016, albeit at low levels, pushed by a higher demand resulting from improved business confidence and liquidity conditions of the private sector. However, the NPL ratio remains among the highest in the region, and the financial sector remains vulnerable to tepid credit demand, a weak insolvency and collateral execution environment, and weak external growth factors.

Success story: Urban renaissance

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

- Target 11.3: By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries;

- Target 11.4: Strengthen efforts to protect and safeguard the world's cultural and natural heritage;

At a glance

Goal 11: Sustainable cities and communities

Albania's Baseline Report on SDGs indicates that Goal 11 is 59% aligned with the national policy in Albania. Two targets: 11.4, 11.a - are fully aligned, seven targets: 11.1, 11.2, 11.3, 11.5, 11.6, 11.7, 11.b - are partially aligned (target 11.c is not applicable to Albania) with the national policies, particularly with Pillar 4: Growth Through Sustainable Use of Resources of the NSDI-II and key policy documents such as the Strategy and Action Plan for Transport Infrastructure 2015-2020, Social Inclusion Policy Document 2016-2020, Cross cutting Environment Strategy etc.

Availability of Global Indicators for Goal 11 in Albania	Readily Available	2
	Available with efforts	1
	Partially Available	3
	Not Available	8
	Not Applicable	1

SOURCE: ALBANIA BASELINE REPORT ON SDGs, 2018

Achieving 2030 targets in Goal 11, by indicators	Target 2030 achieved	1
	Intermediate target achieved	3
	Intermediate target not achieved	2
	No data or judgment impossible	11

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG DASHBOARD, MAPS MISSION

• Target 11.7: By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities; and

• Target 11.8: Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning

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

The urban renaissance program replaced the highly fragmented development financing that resulted inefficient during the period 2010-2013 (the Regional Development Index did not change during this period), with investments initially in access infrastructure, social services, forestry, national heritage preservation and rennovation, water supply, and after 2015, focused on revitalization of development centers, strengthening of business activity areas and local economies, upgrading of urban areas and community spaces, as well as integrated interventions across coastal lines. The current priorities of government interventions include:

• Upgrading of urban centers and local economies.

• Territorial cohesion and regional development

• Cluster development and support of potential growth areas

• Modern cities

• Support for the economy

The urban renaissance program supports the local and regional development policy in Albania through the Regions Development Fund. This fund is a

development instrument and a competitive financial mechanism which support the national policy on regional and local development, to ensure territorial cohesion in the country through balanced growth and economic, social and environmental development. Through this fund, the government allocates grants for the local government units, on a competitive basis for implementing projects with impact on economic development at the local and regional level. The fund has a specific section in the annual national budget adopted by the parliament.

The implementation of the urban renaissance program is coordinated by various government ministries which provide technical support and expertise while the decision making on the allocations of the fund is under the responsibility of the Regions Development Committee, which includes ministers of the government and is chaired by the Prime Minister of Albania.

Results and achievements

The urban renaissance program has transformed and promoted important features of Albania, with a great focus on upgrading the development centers. Its core objective was "Urban Renaissance through revitalization of community cohesion" which more recently is combined with the current goal "Urban Renaissance through revitalization of the potentials for local and regional economies". As a result, the outcome of the program is more oriented towards the achievement of Goal 9, especially through progress with the Target 9.1.

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

1. Natural and environmental resources, including waterfronts and urban parks, where the aim of the program was to clean up and improve public space to revitalize traditional or new functionalities.

2. Cultural, natural and historical heritage areas revitalization.

3. Access infrastructure development among cities and villages to enable and strengthen activity chains, with a focus on entry access to the cities (regional and city rings), connections between the cities, national network of roads and rural roads development connecting rural markets with production activity centers.

4. City centers and selected village centers development. The development of city centers serves the goal of strengthening the identity of the cities and enhancing community cohesion while the development of the village centers was more focused on promotion of tourism and rural activities.

Through this program, during the period 2014-2017, the government financed 637 different projects with a total amount of about 480 million USD.

Development Programs 2014-2017	Share
Infrastructure	61.4%
Education	26.1%
Digital Albania	7.7%
Water supply / sewage systems	2%

Forestry	**1.9%**
Culture	**0.6%**
Health	**0.3%**
TOTAL	**100%**

The program has succeeded to achieve some novelties in its focus areas, by establishing development clusters as:

1. Areas transformed into Business Improved Districts (BIDs), with focus on trading and entrepreneurship activities which support the development of surrounding areas and local or regional economies, promotes job-creation and employment activities and supports the creation of local and regional development centers through:

    - Investments in infrastructure
    - Business support program
    - Enacting of BIDs legislation in Albania

    About 57 areas with development potential or improved business districts have been designated and in some areas infrastructure improvements are implemented in building and upgrading pedestrian areas, main roads, commercial areas, markets, waterfronts, historical landmarks. Simultaneously the program would provide business support activities for companies operating with BID areas.

2. Smart City – Digital and modern cities

    The program has supported a coordinated management of investments in modernizing citizen services through a single window, upgrading the IT systems for information in the cities and strengthening the capacities of the new municipalities with IT solutions for tax, asets and human resources management, which includes the modernizing of the municipality services. As a result, compared to only 8 services provided electronically in 2013, today Albania offers 450 e-services for its citizens.

Lessons learned and next steps.

The sustainability of the infrastructure investments in around 390 areas of Albania, is supported by the active role of the municipalities which are responsible for the infrastructure maintenance over time. The complementing measures foreseen in the program, such as the business development programs or BID developments, reinforce the impact of the results in the areas of intervention.

The implementation of the Urban Renaissance program reveals the importance of continuity and building on achieved success stories while reducing the fragmented investments and interventions to maximize the impact of the public expenditure. The experience of the program has shown that the infrastructure investments prove to be more effective when they are oriented toward the territorial development and strengthening of the local economies, instead of being based on needs assessments. Positive synergetic results spillover from the financing of such projects in smaller and distant municipalities, particularly when they strengthen the cooperation among various municipalities.

The extension of the Urban Renaissance program toward the rural areas of the country – The Rural Renaissance program – includes the revitalization of 100 villages across Albania, aiming to convert these villages in development 'engines' through investments in infrastructure development and support to farming and non-farming economic activities. Through this program, it is expected:

- The establishment of a network of incubators for the collection and processing of agricultural produce.
- The promotion of domestic products.
- The development of hospitality services and agro-tourism activities.

Success story: Justice reform

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

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

The Cross-Cutting Justice Strategy 2017-2021 has eight high level strategic Goals:

- Goal 1: Strengthening the independence, efficiency and accountability of the justice system institutions;

- Goal 2: Consolidation of legal education and training as well as specialisation of magistrates and court personnel;

- Goal 3: Improvement of the operation of the judicial system by strengthening its efficiency, transparency and accessibility in accordance with European standards;

- Goal 4: Increasing the efficiency of criminal justice system and anti-corruption measures through the consolidation of the mission, status and functions of criminal justice institutions;

- Goal 5: Improving the functioning of the justice system by providing modern electronic systems procedures and facilities for development of strong international cooperation;

- Goal 6: Enhancement of the protection of human rights in penitentiary system;

- Goal 7: Improving the functioning of the Ministry of Justice and its subordinate institutions;

- Goal 8: Improving the service quality of legal professions and establishing a legal framework for arbitration.

The Cross-Cutting Justice Strategy 2017-2020[33] also provides for a monitoring mechanism. This mechanism it is administered by the Ministry of Justice. The institutional mechanism collects and analyses periodic reports on the implementation of the 2017-2020 Action Plan. These reports are provided by each institution reports on the level of enforcement of each activity and policy, on the encountered issues and in general on the evaluation of the progress of the strategy as a whole. The monitoring mechanism is competent to decide on corrective measures, on the institution responsible for correction and on the appropriate sanction. In order to do so it analyses the indicators of performance for each activity contained in evaluation reports, recommendations, filled out questionnaires, consequences. The system of publishing online in the Ministry of Justice website[34] the periodic monitoring reports is operational. The institutional mechanism has approved during April, the 2017 monitoring report of the Strategy.

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

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

- The High Judicial Council

- The High Prosecutorial Council

- The High Justice Inspectorate

- The Justice Appointments Council

- The Court against corruption and organized crime

- The Special Prosecutor's Office against corruption and organized crime

- The Special Investigation Unit/National Bureau of Investigation

- The Judicial Council

- The Re-evaluation Institutions (dealt in the specific paragraph dedicated to the Vetting process).

During the last year Albania has made significant progress in making fully operational the above institutions (including the appointment of a Pro-Tempore General Prosecutor as a transitory institution). The Constitution provides that these institutions are collegial mechanisms composed by members appointed by the Parliament and elected by the judges of all levels and the legal professional community

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[33] Approved by the government in November 2016

[34] http://www.drejtesia.gov.al/al/prioritete/strategjia-ndersektoriale/plani-i-veprimit-te-strategjise-ndersektoriale-te-drejtesise

selected by the lawyer's community, High Education Institutions and School of Magistrates and the civil society.

Progress of the vetting process

Pursuant to the constitutional provisions and the specific law, the re-evaluation of the judges is being carried out based on three criteria: *asset assessment, background and proficiency assessment* (professional competences assessment). The Government has also taken the necessary measures in supporting the vetting institutions by increasing substantially the salaries for the members of the Independent Qualification Commission, the Special Appeal College and of the two Public Commissioners and their deputies/substitutes. According to the law on the transitional re-evaluation of judges and prosecutors in the Republic of Albania, 12 legal advisors and 4 economic advisors were recruited through a transparent and open procedure. They will assist the Independent Qualification Commission throughout the implementation of the vetting process.

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

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

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

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

Due to its importance the Vetting process is intended to be as transparent as possible. Consequently, the Independent Qualification Commission has its online webpage where it publishes updates on the vetting process. Currently the Commission is conducting the administrative investigation process for 93 assesses and from February 2018 has started the first public hearings.

7. Means of implementation: Budget commitments and implications for achieving the SDGs

Preliminary findings of SDG budgets 2015-2017. More details, gaps and implications to be inserted in the final version upon completion of the ongoing work.

	2015	2016	2017
SDG1	15,225	15,112	12,923
SDG2	4,732	5,222	3,593
SDG3	33,110	34,086	39,809
SDG4	34,700	35,466	36,972
SDG5	738	562	767
SDG6	15,682	20,173	18,056
SDG7	2,398	6,496	7,986
SDG8	20,747	27,708	26,566
SDG9	40,561	29,816	37,715
SDG10	43,498	42,533	38,652
SDG11	3,722	4,302	9,712
SDG12	1,890	2,503	2,245
SDG13	955	1,682	1,816
SDG14	955	1,682	1,816
SDG15	977	1,727	1,863
SDG16	30,379	29,329	30,481
SDG17	9,008	11,819	11,994
	259,276.43	**270,219.40**	**282,966.26**

TABLE 1: BUDGET COMMITMENTS FOR SDGS, 2015-2017 (MILLION ALL)[35]

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[35] Source:

8. Conclusions and next steps

To be inserted in the final version.

Annexes

Goal 1. End poverty in all its forms everywhere

Giving people in every part of the world the support they need to lift themselves out of poverty in all its manifestations is the very essence of sustainable development. Goal 1 focuses on ending poverty through interrelated strategies, including the promotion of social protection systems, decent employment and building the resilience of the poor. The first indicator chosen for this goal refers to the population in Albania facing a risk of poverty or social exclusion. This population finds itself suffering income poverty. This composite indicator is defined at the EU level and is used to define national poverty reduction targets in the EU 2020 strategy. However, this indicator does not capture all aspects of poverty or social exclusion, nor their severity. Therefore, the second indicator covers deprivation in non-monetary terms defining non-monetary poverty.

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

National Target	

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

Chart 1: Percentage of poor population in Albania

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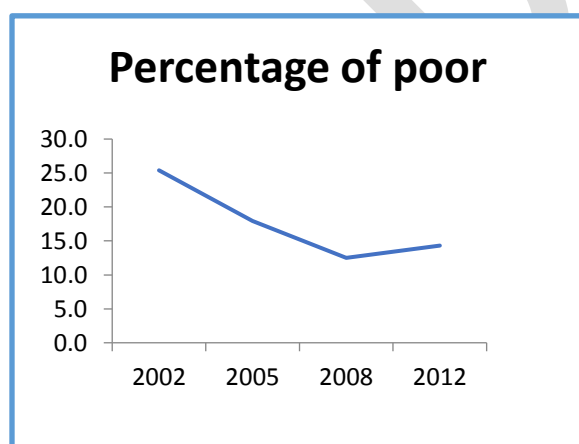
Definition: The share of persons with an equalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equalised disposable income (after social transfers).

Alignment with UN definition: Total in line with UN

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

Disaggregation: sex, age-groups, prefectures, regions

Source: INSTAT-The indicator is based on the EU-SILC (statistics on income, social inclusion and living conditions) from 2016 and on. INSTAT-World Bank: LSMS -2002, 2005, 2008, 2012.

Periodicity: Every three year from 2002-2012. Annually from 2016

Available time series: INSTAT-World Bank: LSMS - 2002, 2005, 2008, 2012.
SILC survey from 2016 and on.

Tier I

UN Target 1.4	**1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance**

National Target

Indicator 1.4.1:	Proportion of population living in households with access to basic services (water, sanitation, condition of dwelling, overcrowding, level of education of household head)

Chart 2. Percentage of population with unmet basic needs in Albania
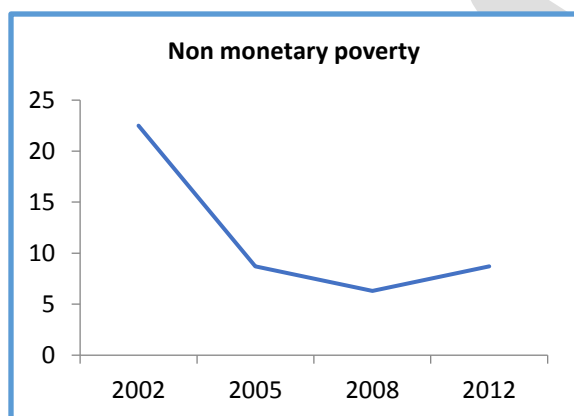
Definition: Percentage of people suffering from absence access to basic services (water, sanitation, condition of dwelling, overcrowding, level of education of household head).

Alignment with UN definition: Not established yet from UN

Objective: To contribute to target 1.4, this indicator should decrease.

Disaggregation: sex, age-groups, prefectures, regions

Source: INSTAT-. INSTAT-World Bank: LSMS -2002, 2005, 2008, 2012. The indicators will me measured on the EU-SILC (material deprivation, statistics on income, social inclusion and living conditions) from 2016 and on.

Periodicity: Every three year from 2002-2012. Annually from 2016

Available time series: INSTAT-World Bank: LSMS -2002, 2005, 2008, 2012. SILC survey from 2016 and on.

Tier III

Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Malnutrition in Albania remain as public health problems that require complex interventions to address, especially disparities related to socio economic status, geographical location, place of residence, and ethnicity. The double burden of malnutrition is clearly indicated by the presence of stunting and overweight of children less than five years of ages.

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

INSTAT

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

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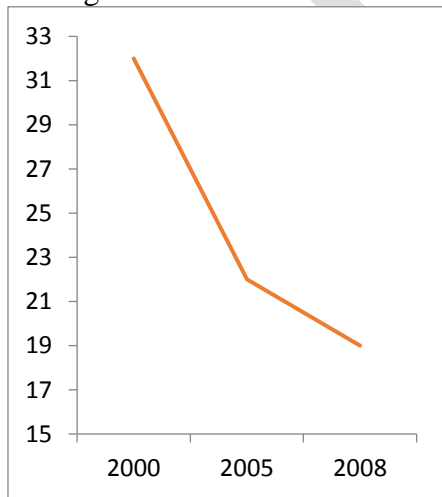
Definition: Prevalence of stunting (height-for-age <-2 standard deviation from the median of the World Health Organization (WHO) Child Growth Standards) among children under 5 years of age.

Objective: to be consistent with indicator 2 .2.1, this indicator should decrease.

Disaggregation: for next data, in 2018: Region, sex. Age

Periodicity: once in 10 years

Source: INSTAT, Institute of Public Health Albania Demographic and Health Survey 2008-09.
Further source:
INSTAT, UNICEF. 2000 and 2005,. Multiple Indicator Cluster Survey.

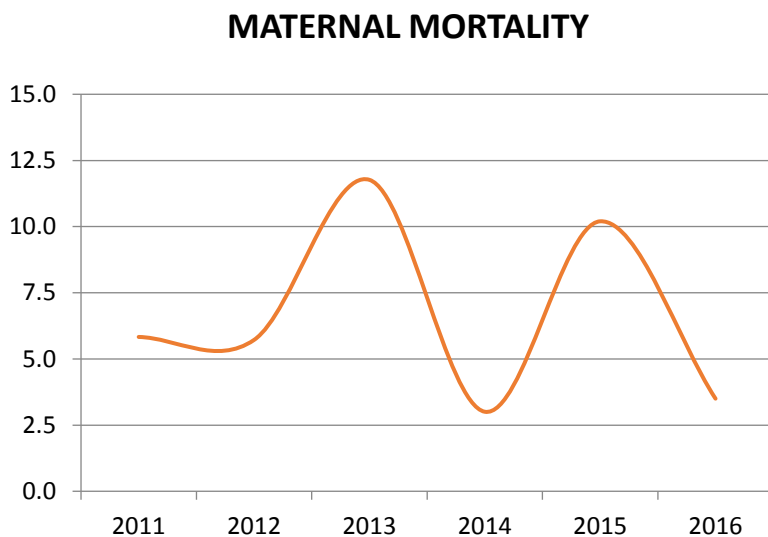*Compliance:* This indicator is compatible with UN methodology 100%

Indicator 2.2.2   Prevalence of malnutrition (weight for height >+2 or <-2 standard deviation from the median of the WHO Child Growth Standards) among children under 5 years of age, by type (wasting and overweight)

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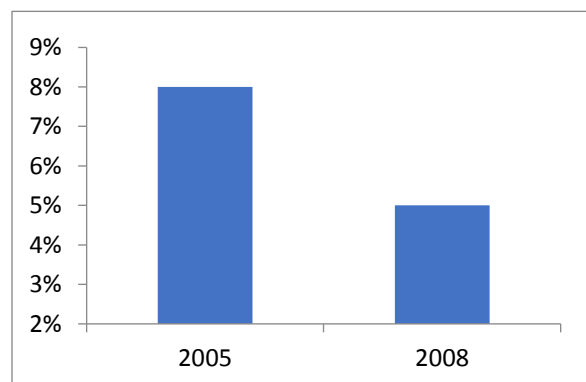
Definition: *1. Prevalence of overweight (weight for height >+2 standard deviation from the median of the World Health Organization (WHO) Child Growth Standards) among children under 5 years of age.*

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

Objective: *To contribute to target 2.2, this indicator should decrease.*

Disaggregation: *for next data, in 2018: Region, sex. Age*

Wasting rate %

Periodicity: *once in 10 years*

Source: *INSTAT, Institute of Public Health Albania*
Demographic and Health Survey 2008-09.
Further source:
INSTAT, UNICEF. 2000 and 2005,. Multiple Indicator Cluster Survey.

Compliance: This indicator is compatible with UN methodology 100%

Tier I

SDG 3. Ensure healthy lives and promote well-being for all at all ages

The first indicator is very important because it depicts the risk of maternal death relative to the number of live births and essentially captures the risk of death in a single pregnancy or a single live birth.

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

UN Target 3.1	By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births.

Indicator 3.1.1:	Maternal mortality ratio.

MATERNAL MORTALITY

Definition: The maternal mortality ratio (MMR) is defined as the number of maternal deaths during a given time period per 100,000 live births during the same time period.

Alignment with UN definition: This indicator is compatible with UN methodology 100%.

Objective: To be consistent with target 3.1 this indicator should decrease

Disaggregation: Available data at country level.

Source: Ministry of Health and Social Protection.

Periodicity: Annual data

Available time series: 2011 – 2016

Tier 2

UN Target 3.4	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

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

Mortality rate

Legend:
- Cardiovascular diseases
- Malignant neoplasms
- Diabetes
- Respiratory diseases
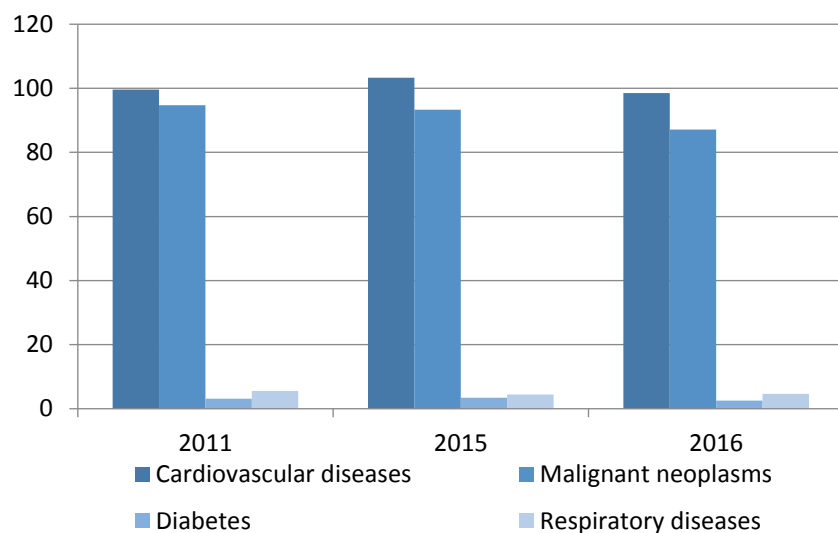
Definition: Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease. Probability of dying between the ages of 30 and 70 years from cardiovascular diseases, cancer, diabetes or chronic respiratory diseases.

Alignment with UN Definition: It is aligned with UN definition 80%.

Objective: To be consistent with target 3.4 this indicator should decrease.

Disaggregation: sex, age.

Source: Institute of Statistics of Albania (INSTAT).

Periodicity: Annual data

Available time series: 2011 – 2015 - 2016

Tier 2

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

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

UN Target 4.1	By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes

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Indicator 4.1.1	Proportion of children and young people: (a) in grades 2/3; (b) at the end of primary; and (c) at the end of lower secondary achieving at least a minimum proficiency level in (i) reading and (ii) mathematics, by sex.

National –Indicator	Early school leavers percentage of the population aged 18-24.

Chart 1.Early school leavers

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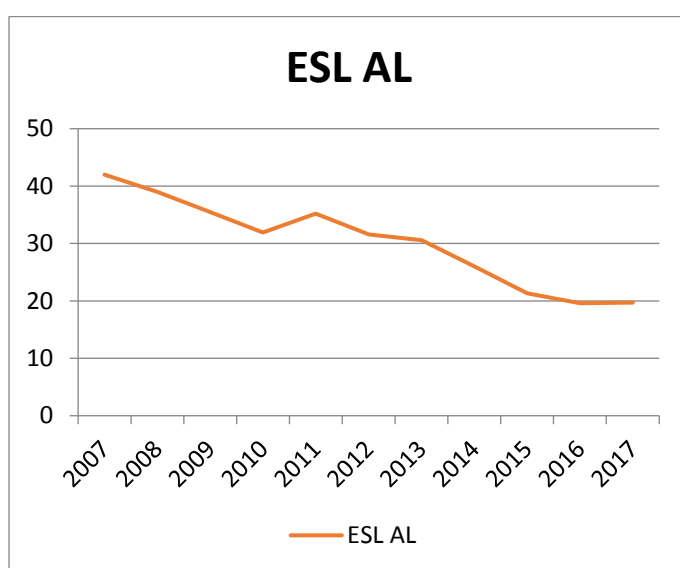
Definition: percentage of the population aged 18 to 24 having attained at most lower secondary education and not being involved in any education or training (neither formal nor non-formal) in the four weeks preceding the survey.

Alignment with UN definition:100%Objective: to be consistent with target 4.1, this indicator should decrease.

Disaggregation: sex.

Source: Institute of Statistics of Albania, (Labour force survey).

Periodicity: annually

Available time series: 2007-2017

Tier 1_____

UN Target 4.3	Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.

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

National- indicator   Lifelong learning percentage of the population aged 25-64.

Chart 2.Lifelong learning

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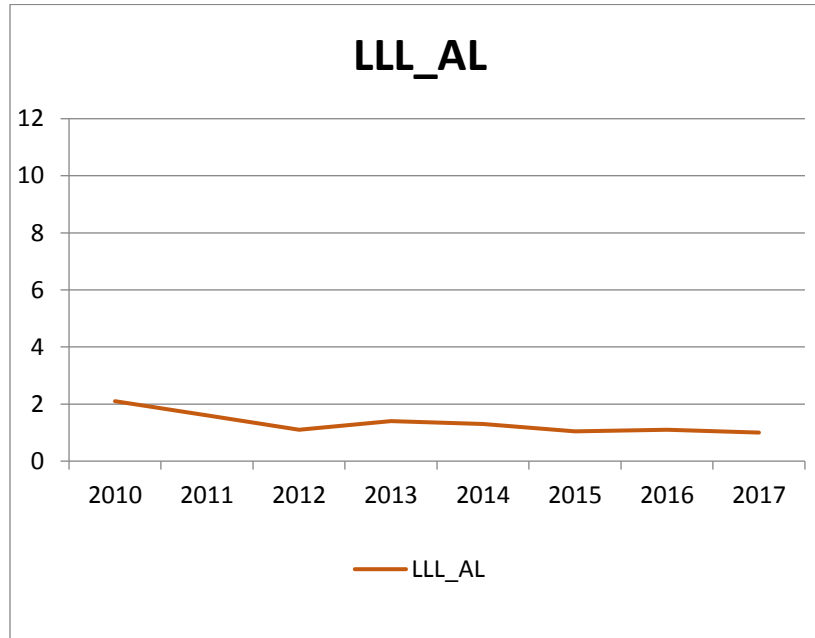
Definition: percentage of the adult population between 25 and 64 years old that participated in formal and non-formal education and training in the four weeks prior to the interview.

.Alignment with UN definition:100%

Objective: to be consistent with target 4.3, this indicator should increase.

Disaggregation: sex, education.
Source: Institute of Statistics of Albania: LFS

Periodicity: annually

Available time series: 2010-2017

Tier 1

Goal 5. Achieve gender equality and empower all women and girls

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

The indicators selected for this goal cover two important aspects of women's empowerment for which data are readily available. These two indicators are published by INSTAT ad yearly basis and are derived

from good quality data. In this way we fully covered UN target 5.5, for the ensuring of women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

Indicator 5.5.1 a	Proportion of seats held by women in national parliaments and local governments.

Distribution of women in parliament by year in (%)
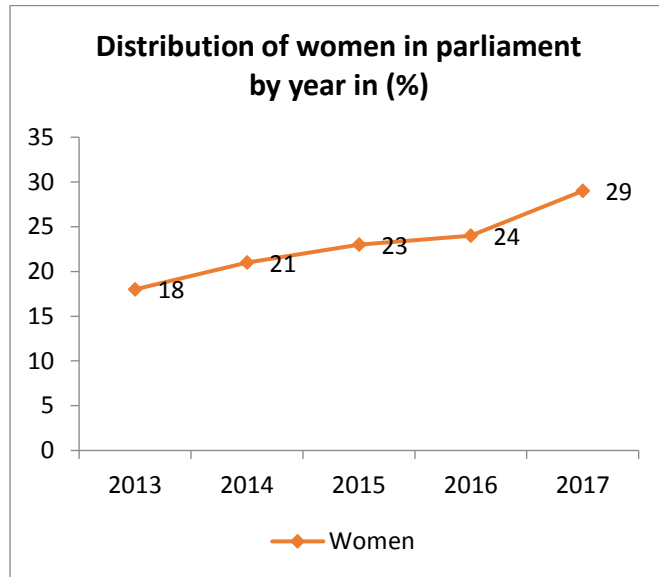
Definition: The proportion of seats held by women in (a) national parliaments, currently as at 1 February of reporting year, is currently measured as the number of seats held by women members in single or lower chambers of national parliaments, expressed as a percentage of all occupied seats.

National parliaments can be bicameral or unicameral. This indicator covers the single chamber in unicameral parliaments and the lower chamber in bicameral parliaments. It does not cover the upper chamber of bicameral parliaments. Seats are usually won by members in general parliamentary elections. Seats may also be filled by nomination, appointment, and indirect election, rotation of members and by election.

Seats refer to the number of parliamentary mandates, or the number of members of parliament.

Alignment with UN definition: 100%

Objective: To contribute to target 5.5, this indicator should increase.

Disaggregation: None

Source: Administrative (Parliament of Albania)

Periodicity: Annually

Available time series: 2013-2017

Indicator 5.5.1 b Proportion of seats held by women in national parliaments and local   governments.

% of women in Municipality Councils
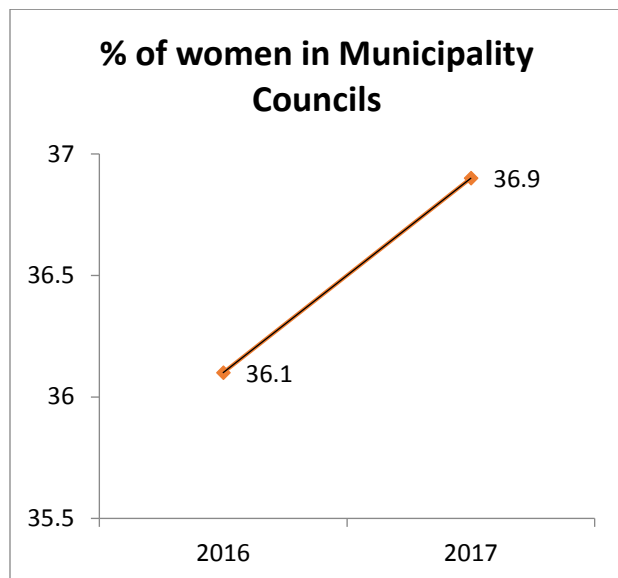
Definition: The proportion of seats held by women in (b) local governments, currently as at 1 January of reporting year, is currently measured as the number of seats held by women members in Municipality Councils, for the 61 Municipalities of Albania.

*Alignment with UN definition:*100%

Objective: To contribute to target 5.5, this indicator should increase.

Disaggregation: None

Source: The Central Elections Commission

Periodicity: Annually

Available time series:2016-2017

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

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

Indicator 5.5.2: Proportion of women in managerial positions

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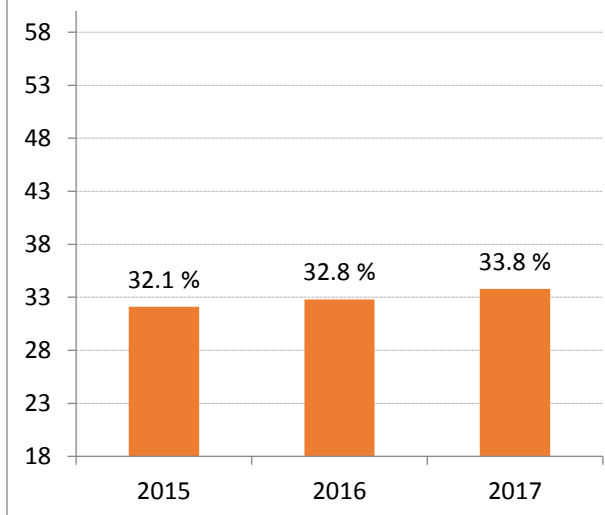
Definition: This indicator refers to the proportion of females in the total number of persons employed in senior and middle management. For the purposes of this indicator, senior and middle management correspond to major group 1 in both ISCO-08 and ISCO-88 minus category 14 in ISCO-08 (hospitality, retail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

Alignment with UN definition:100%

Objective: To contribute to target 5.5, this indicator should increase.

Disaggregation: None

Source: General Directorate of Taxation

Periodicity: Annually

Available time series: 2015-2017

Goal 6. Ensure availability and sustainable management of water and sanitation for all

_____

The first indicator selected for this SDG is about the proportion of the population using safely managed drinking water services, measured by yearly by the household budget survey (HSB). The second indicator is the proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water, measured by yearly by the household budget survey (HSB). Both information of the selected indicator for the SDG 6 came from the latest HBS 2006-2002016 is as per below in county level, while the HBS 2017 would provide more updated information on this indicator. Target 6.1 is aligned with the domestic policy framework in Albania. The NSDI II 2015-2020, through the Pillar 4: Growth Through Sustainable Use of Resources, 12.2.1: Integrated Water Management focuses on ensuring the water supply for all the Albanian citizens in the country.

More specifically this policy topic is elaborated in the National Strategy of Water Supply and Sewage and the Cross sector national program on water (2016), the Water Supply and Sewage Master Plan of Albania, 2013, and the Integrated Water Resource Management Strategy, 2016

UN Target 6.1	By 2030, achieve universal and equitable access to safe and affordable drinking water for all.

Indicator 6.1	Proportion of population using safely managed drinking water services
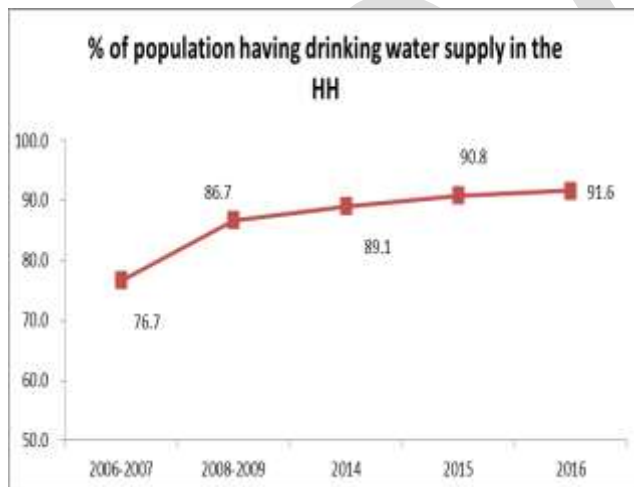
Definition: Proportion of population using safely managed drinking water services is currently being measured by the proportion of population using an improved basic drinking water source which is located on premises, available when needed and free of faecal (and priority chemical) contamination. 'Improved' drinking water sources include: piped water into dwelling, yard or plot; public taps or standpipes; boreholes or tube wells; protected dug wells; protected springs; packaged water; delivered water and rainwater.

Alignment with UN definition: 100% in line with UN definition

Objective: To contribute to target 6.1, this indicator should increase.

Disaggregation: county level, regional level.

_Source:_ INSTAT: Household Budget Survey

Periodicity: Yearly

Available time series: 2006-2016

Tier I

UN Target 6.2	*By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.* Government priorities Target 6.1 is aligned with the domestic policy framework in Albania. The NSDI II 2015-2020, through the Pillar 4: Growth Through Sustainable Use of Resources, 12.2.1: Integrated Water Management focuses on ensuring the water supply for all the Albanian citizens in the country. More specifically this policy topic is elaborated in the National Strategy of Water Supply and Sewage and the Cross sector national program on water (2016), the Water Supply and Sewage Master Plan of Albania, 2013, and the Integrated Water Resource Management Strategy, 2016.

Indicator 6.2.1.	*Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water.*
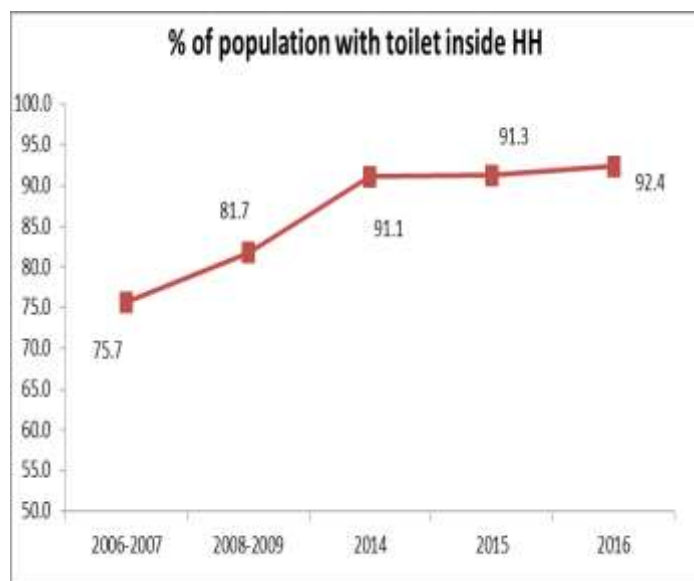
Definition: The Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water is currently being measured by the proportion of the population using a basic sanitation facility which is not shared with other households and where excreta is safely disposed in situ or treated off-site. 'Improved' sanitation facilities include: flush or pour flush toilets to sewer systems, septic tanks or pit latrines, ventilated improved pit latrines, pit latrines with a slab, and composting toilets. Population with a basic handwashing facility: a device to contain, transport or regulate the flow of water to facilitate handwashing with soap and water in the household.

Alignment with UN definition: Partially in line (70%) with UN definition

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

Disaggregation: country level, regional level.

Source: INSTAT Household Budget Survey

Periodicity: Yearly

*Available time series:* 2006-2016

Goal7. Ensure access to affordable, reliable, sustainable and modern energy for all

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

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

UN Target 7.1	By 2030, ensure universal access to affordable, reliable and modern energy services

Indicator 7.1.1:	Proportion of population with access to electricity

% of population with access to electricity

99.99   99.99   99.97   99.99   99.57

2006-2007   2008-2009   2014   2015   2016
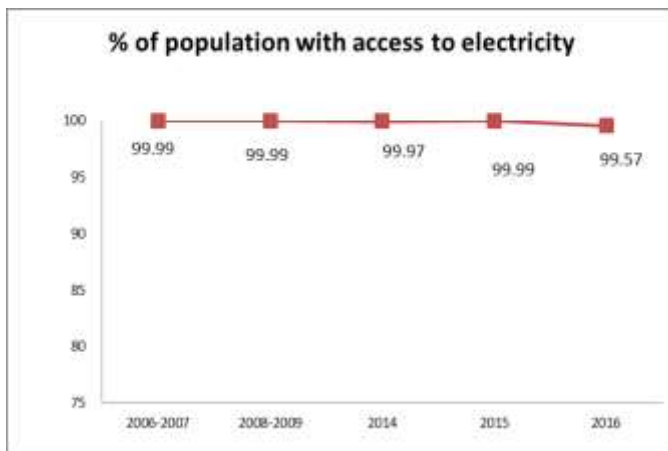
Definition: % of population with access to Electric Power

Alignment: 100%

Objective: To be consistent with target 7.1 this indicator should increase.

Disaggregation: Albania

Source: INSTAT, Household Budget Survey.

Periodicity: Annual.

Time series: 2006-2007, 2008-2009, 2014, 2015, 2016

Tier I

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

% of population with primary reliance on clean fuels and technology
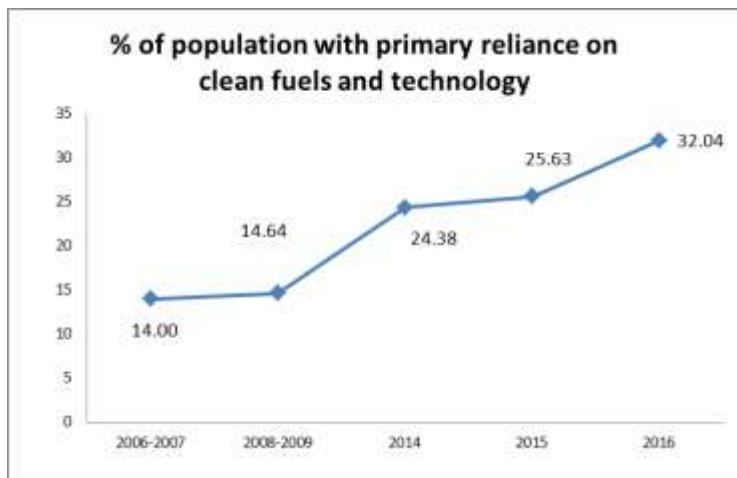
Definition: % of population with primary reliance on clean fuel used for cooking (those not with high levels of (indoor) air pollution household).

Alignment: partially, the fuels used by household can be derived only for heating (sources for lightening and cooking are not included).

Objective: To be consistent with target 7.1 this indicator should increase.

Disaggregation: Albania.

Source: INSTAT, Household Budget Survey.

Periodicity: Annual.

Time series: 2006-2007, 2008- 2009, 2014, 2015, 2016

Tier I

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

Selected targets for goal 8 are relevant for having a broad view to help increase labour productivity, reduce the unemployment rate, especially for young people, and improving access to financial services and benefits are essential components of sustained and inclusive economic growth.

UN Target 8.1	Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.

Indicator 8.1.1: Annual growth rate of real GDP per capita.

Annual Growth Rate of Real GDP per Capita
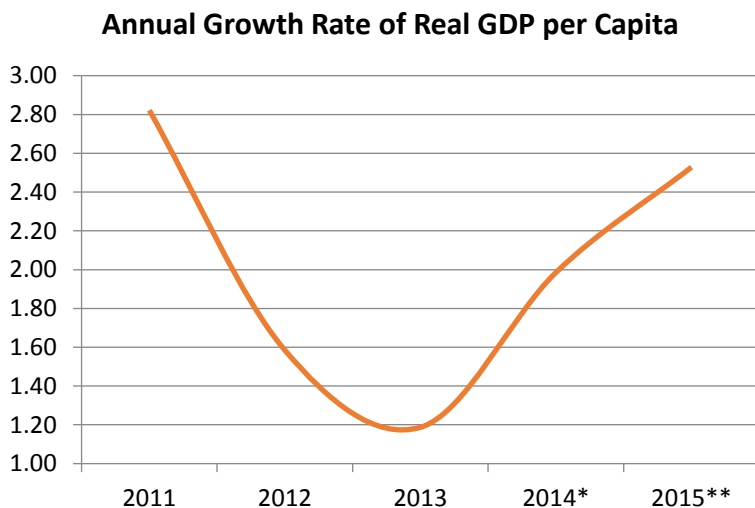
Definition: Real GDP per capita is calculated by dividing GDP at constant prices by the population of a country or area. Real Gross Domestic Product (GDP) per capita is a proxy for the average standard of living of residents in a country or area.

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

Objective: To be consistent with target 8.1 this indicator should increase.

Disaggregation: Available data at country level.

Source: Institute of Statistics of Albania (INSTAT)
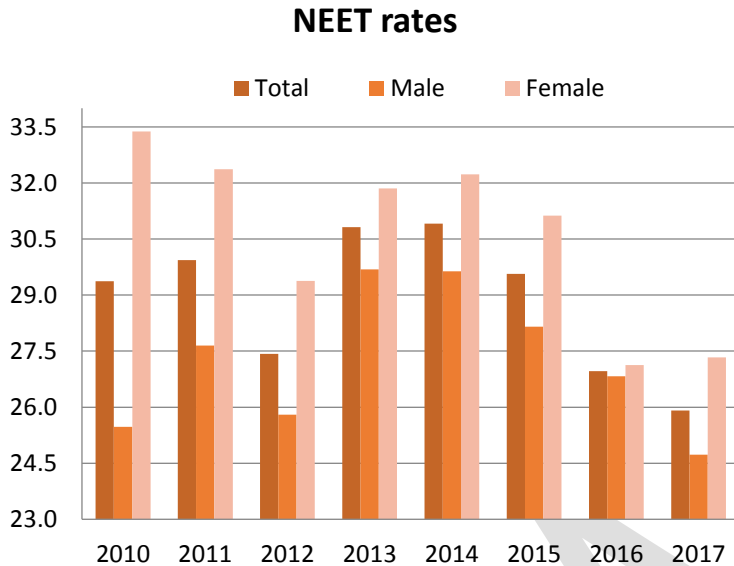
Periodicity: Annual data

Tier 1

By 2020, substantially reduce the proportion of youth not in employment, education or training

Indicator 8.6.1:   Proportion of youth (aged 15-24 years) not in education, employment or training

NEET rates

Definition: This proportion of youth (aged 15-24 years) not in education, employment or training, also known as "the NEET rate", conveys the number of young persons not in education, employment or training as a percentage of the total youth population. For the purposes of this indicator, youth is defined as all persons between the ages of 15 and 24 (inclusive).

Alignment with UN definition: 100%

Objective: To be consistent with target 8.6 this indicator should decrease.

Disaggregation: disaggregated by sex.

Source: Institute of Statistics of Albania (INSTAT): Official statistical data sources like census and surveys LFS.

Periodicity: Annual data

Available time series: 2010 - 2017

Tier 1

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

The first indicator selected for this goal is about use of the existing transport infrastructure. A growth in passenger and freight volumes shows a robust infrastructure development happening in the country along with the resultant

socio-economic benefit. The second indicator focus on the ability of manufacturing to absorb surplus labour forces from agricultural and other traditional sectors towards production labour with higher wages.

UN Target 9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all
Indicator 9.1.2	Passenger and freight volumes, by mode of transport

Chart 1. Transport of passengers by mode of transport
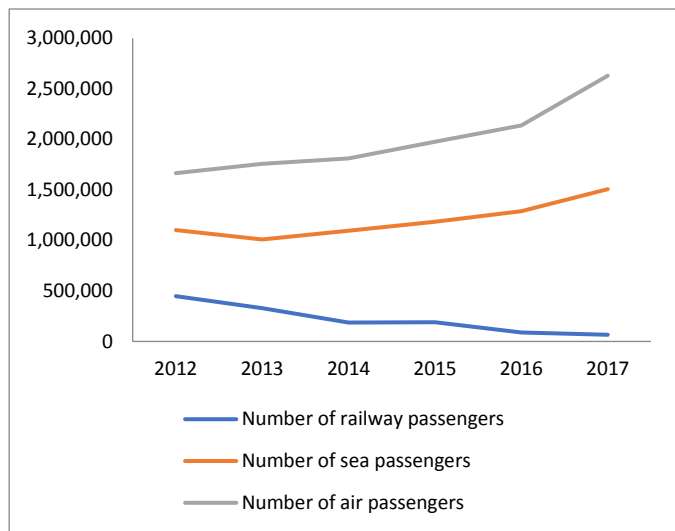
Definition: Passenger and freight volumes is the sum of the passenger and freight volumes reported for the air carriers in terms of number of people and metric tonnes of cargo respectively. Data are collected from Transport Ministries, statistical offices and other institution designated as official data source. Although there are clear definitions for all the terms used in this survey, countries might have different methodologies to calculate tonne-kilometres and passenger-kilometres. Methods could be based on traffic or mobility surveys, use very different sampling methods and estimating techniques which could affect the comparability of their statistics
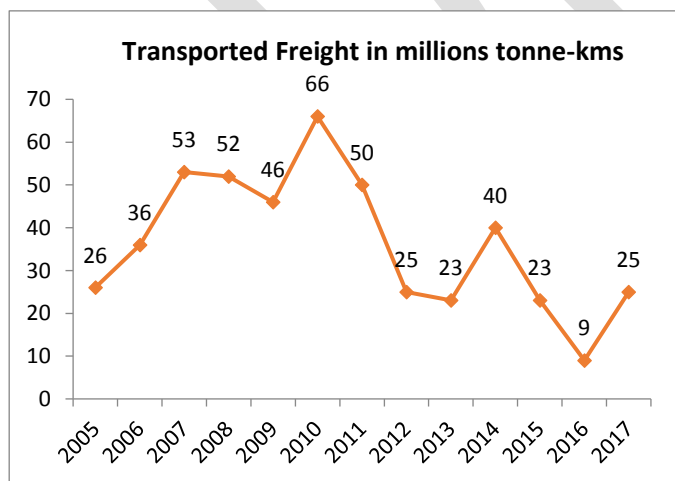
Disaggregation: Country

Objective: To contribute to target **9.1.2**, this indicator should increase.

Source: INSTAT
*Periodicity*: Annually
Alignment with UN definition: 100 %

Chart 2. Freight transport by railway

UN Target 9.2	Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.
Indicator 9.2.2	Manufacturing employment as a proportion of total employment

Manufacturing employment as a proportion of total employment
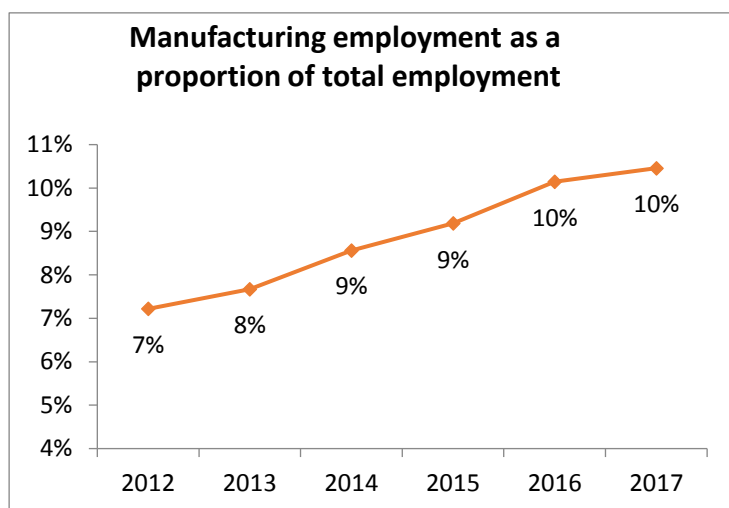
Definition: The indicator is represented by the share of manufacturing employment in total employment. This indicator represents the contribution of manufacturing in job creation

Objective: To contribute to target 9.2.2, this indicator should increase.

Disaggregation: Gender.

Source: INSTAT-Labour Force Survey

Periodicity: Annually

Alignment with UN definition: 100 %

Tier I

# SDG 10. Reduce inequality within and among countries

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

UN Target 10.1	By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.
Indicator 10.1.1	Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population.

National Indicator
10.1.1   Gini index: scale from 0 to 100.

Chart 1: Gini coefficient
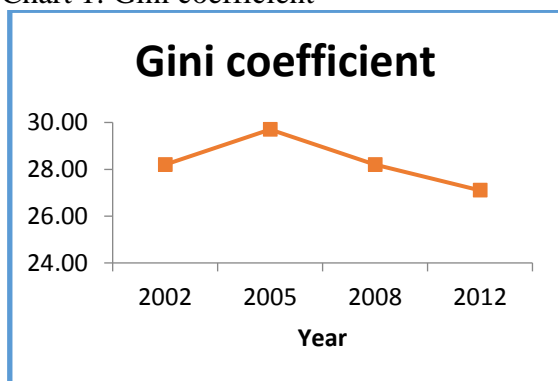
Definition: the Gini index measures the equality of the income distribution, based on equivalized disposable income. Its value is in the range between 0 to 100. When it is equal to zero, there is complete equality, everyone receiving the same income. The value 100 corresponds to the highest possible inequality, one person receiving all incomes and the others nothing.

Alignment with UN definition: Partly in line with UN

Objective: To contribute to target 10.1, this indicator should decrease.

Disaggregation: regional.

Source: Institute of Statistics of Albania: LSMS 2012 (per capita consumption)
Further source: SILC (equalized income).
Periodicity: Every three year from 2002-2012. Annually from 2016
*Available time series:* INSTAT-World Bank: LSMS -2002, 2005, 2008, 2012. SILC survey from 2016 and on.

TIER I

UN Target 10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
Indicator 10.2.1	Proportion of people living below 50 per cent of median income, by age, sex and persons with disabilities.

National Indicator
10.2.1   1-Growth rates of household income/consumption per capita among the bottom 50 per cent of the population and the total population.
2-Risk of poverty: percentage of total population under 60% of median income.

Chart 2. Relative poverty

% of population under 60 percent of per capita consumption
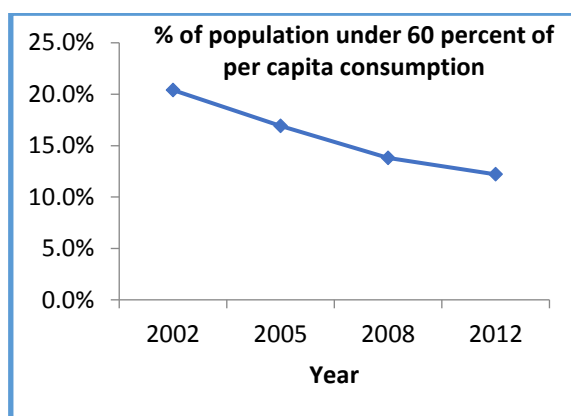
Definition: percentage of the population of which the equivalized income (this takes account of all income in a household and of its composition) is lower than 60% of the national median equivalent income, as defined at the EU level. We can calculate different lines as 50%, 40% under median of equivalised income.

Alignment with UN definition: Total in line with UN

Objective: To contribute to target 10.2, this indicator should decrease.

Disaggregation: region, sex, agegroup.

Source: Institute of Statistics of Albania: LSMS 2012 (per capita consumption)
Further source: SILC (equivalised income), yearly.
*Periodicity:* Every three year from 2002-2012. Annually from 2016
Available time series: INSTAT-World Bank: LSMS -2002, 2005, 2008, 2012. SILC survey from 2016 and on.

TIER III

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

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

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

% of total population living in slums
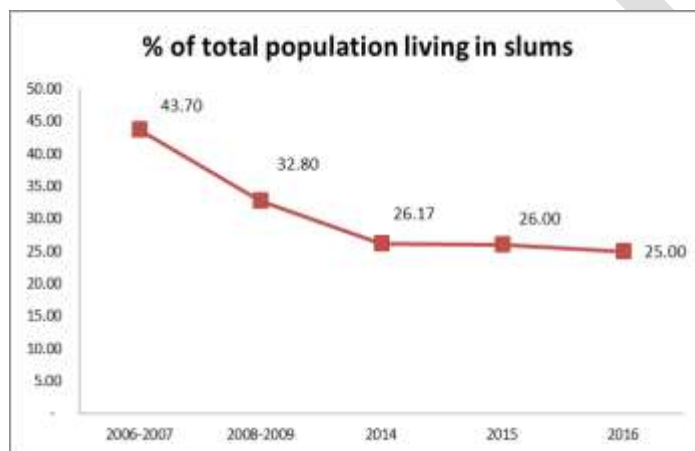
Definition: Proportion of urban population living in slums, informal settlements or inadequate housing.

Note: % of population living in slums, calculated with the variables that INSTAT dispose.

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

Disaggregation: Albania.

Source: INSTAT: HBS

Time series: 2006-2007, 2008-2009, 2014, 2015, 2016

Periodicity: Annually

Alignment with UN: Partially (50%) because the indicator is calculated for total population not for urban

Tier I

UN-Target: 11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.
Indicator: 11.6.1	Proportion of urban solid waste regularly collected and with adequate final discharge out of total urban solid waste generated, by cities

Definition: Proportion of municipal solid waste regularly collected and with adequate treatment and disposal out of total municipal solid waste generated.
Municipal Solid Waste with Adequate Final Treatment and Disposal refers to the total municipal solid waste destined for treatment or disposal facilities that at least reached an intermediate level of control.
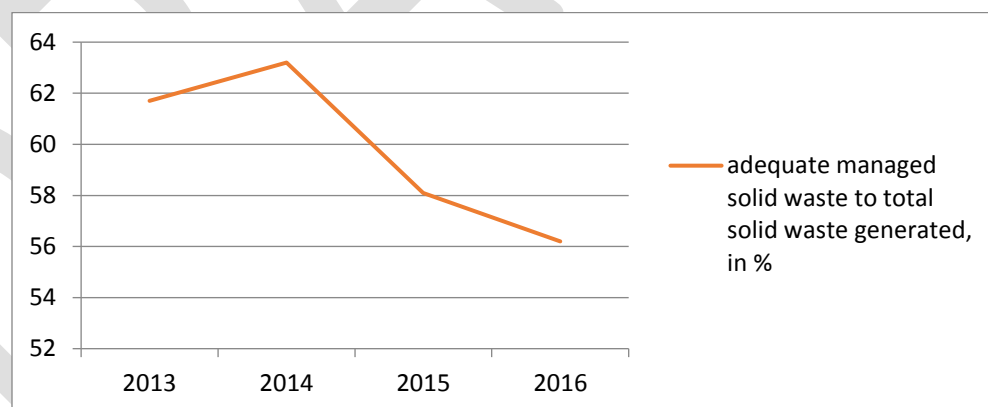
Objective: To be consistent with target 11.6.1 this indicator should increase

Disaggregation: Albania

Source: INSTAT: Urban Solid Survey (2013 onward)

Time series: 2013, 2014, 2015, 2016

Periodicity: Annually

Tier II

Goal 12. Ensure sustainable consumption and production patterns

The indicators selected for this SDG relate to the use of natural resources as a dimension of sustainable consumption and production mainly covered in this SDG. This indicator is in line with this initiative to publish periodical information reports on the extracting activity and the use of revenues from the utilization of natural resources of the country. This indicator in calculate in yearly basis and in country level. The second indicator is about the hazardous waste generated per capita and proportion of hazardous waste treated, by type of treatment National Indicator, calculated by nation level.

UN Target 12.2	By 2030, achieve the sustainable management and efficient use of natural resources.

Indicator 12.2.2	Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP

National Indicator
 12.2.1   1-Domestic material consumption 2010-2016.
                                2-Domestic material consumption per capita.
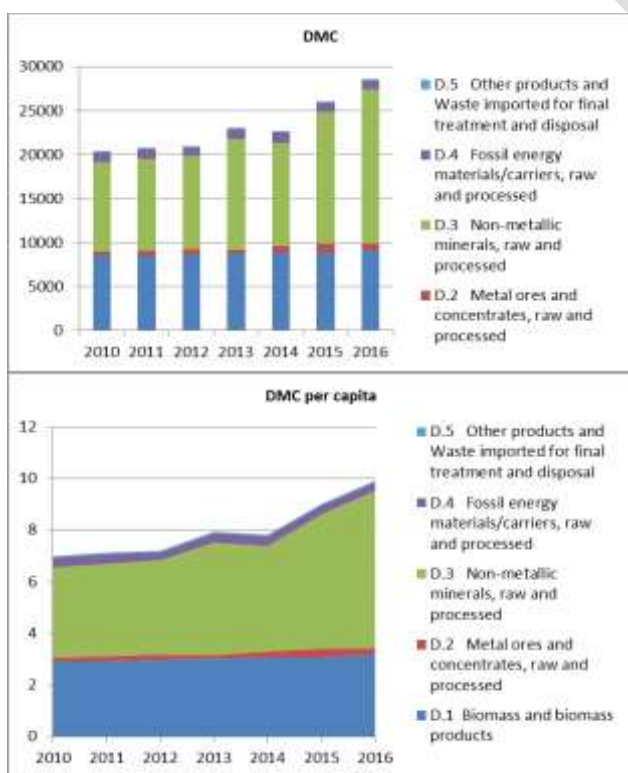
Definition: domestic material consumption (DMC) measures the total amount of materials used by a country. It is the sum of domestic extractions, plus imports and minus exports of materials. DMC takes account of the raw materials embodied in finished and semi-finished products that are imported or exported. However, the entire weight of the imported and exported finished and semi-finished products is attributed to the single raw material category that constitutes the largest part of the product concerned.

Alignment with UN definition: 100 % in line line with UN definition

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

Disaggregation: country level.

Target 12.2 is partially aligned with the national policy in Albania, as reflected in the key strategic documents - the NSDI II 2015-2020 through the Pillar 4: Growth through Sustainable Use of Resources. Other policy documents, particularly the Strategy of the Mining Sector, 2010-2025, through the Strategic Priorities a & b, focus on the same policy topic

EU integration: Chapter 27: Environment

Tier I

UN Target 12.4.2	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment
Indicator 12.4.2	Hazardous waste generated per capita and proportion of hazardous waste treated, by type of treatment National Indicator

This indicator is not produced, but in the Albanian national statistical program 2017-2021 it is planned to produce partially these indicator in the year 2020.

Tier II

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

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

UN Target 13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
Indicator 13.1.1	Number of deaths, missing persons and persons affected by disaster per 100,000 people National Indicator

This indicator is not produced by INSTAT but can be generated by the Ministry of Defense.

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

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

UN Target 14.5	By 2020, conserve at least 10 per cent of coastal and marine areas, consistent with national and international law and based on the best available scientific information.
Indicator 14.5.1	Coverage of protected areas in relation to marine areas

This indicator is not produced by INSTAT but can be generated by the Ministry of Agriculture and Rural Development.

UN Target 14.a.1	Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and least developed countries.
Indicator 14.a.1	Proportion of total research budget allocated to research in the field of marine technology

This indicator is not produced by INSTAT but can be generated by the Ministry of Agriculture and Rural Development.

SDG 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

This indicator is selected to promote protection and management of forestry, under the Forestry Strategy 2020, that Ministry of Tourism and Environment to be applied.

UN Target 15.1   By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and dry lands, in line with obligations under international agreements

Indicator 15.1.1   Forest area as a proportion of total land area

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National Indicator: NSDI II, Pillar 4: Growth Through Sustainable Use of Resources, 12.5 Environment.

Forest area in proportion of total land area (%)
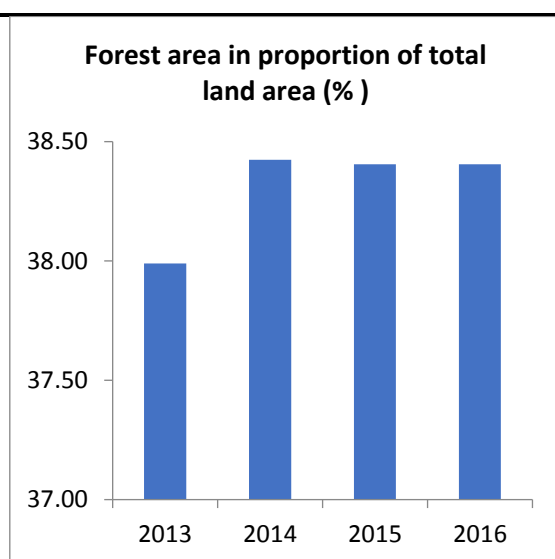
Definition: Forest area as a proportion of total land area.

Objective: One of these targets is that by 2020, in base of the Forest Strategy 2020 and the National Strategy, this indicator should increase.

Alignment: *this indicator is aligned with UN definition 100 %*

Disaggregation *: National level*

Source: INSTAT and Ministry of Tourism and Environment

Time series: 1198-2016

Periodicity: Annualy

Tier I

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

The two indicators for this goal have been selected among the few that were readily available. They cover two important dimensions of this goal, significantly reduce all forms of violence and related death rates everywhere (indicator 16.1.1), promote the rule of law and ensure equal access to justice for all (indicator 16.3.2).

UN Target 16.1	Significantly reduce all forms of violence and related death rates everywhere
Indicator 16.1.1	Number of victims of intentional homicide per 100,000 populations, by sex and age

Fig: Victims of intentional homicide per 100,000 populations
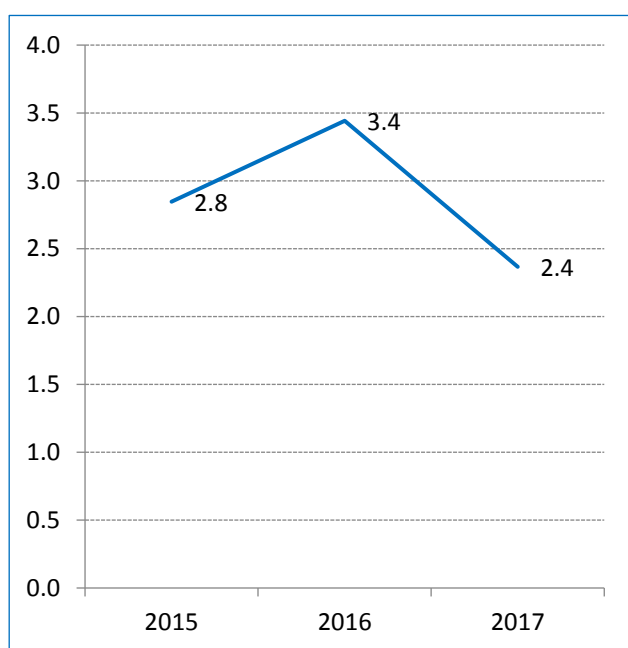
Definition: The indicator is defined as the total count of victims of intentional homicide divided by the total population, expressed per 100,000 populations

Alignment with UN definition: 100 %

Objective: to be consistent with target 16.1, this indicator should decrease

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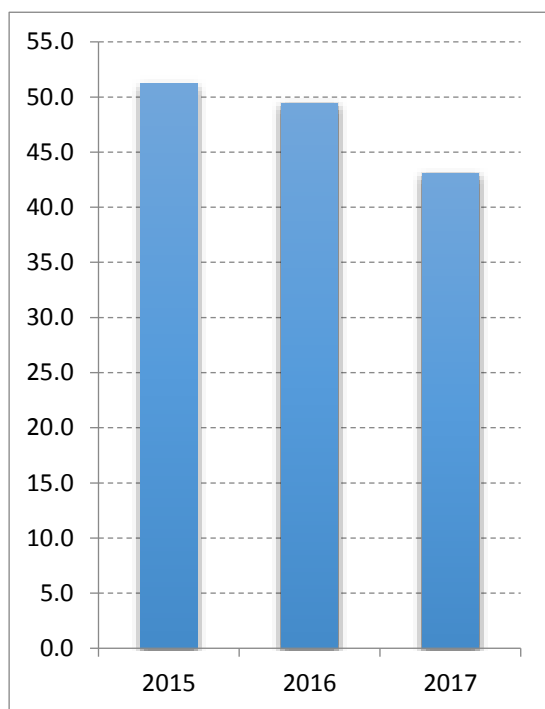
Source: Administrative

Periodicity: Annual

Available time series: 2015-2017

UN Target 16.3	Promote the rule of law at the national and international levels and ensure equal access to justice for all
Indicator 16.3.2	Unsentenced detainees as a proportion of overall prison population

Fig: Unsentenced detainees

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

Alignment with UN definition: 100 %

Objective: to be consistent with target 16.3, this indicator should decrease

Disaggregation: Sex and age (adult, juvenile)

*Source:* Administrative

Periodicity: Annual

Available time series: 2015-2017

Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable

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

UN Target 17.1   Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.

Indicator 17.1.1   Total government revenue as a proportion of GDP, by source

Total government revenue as a proportion of GDP, by source
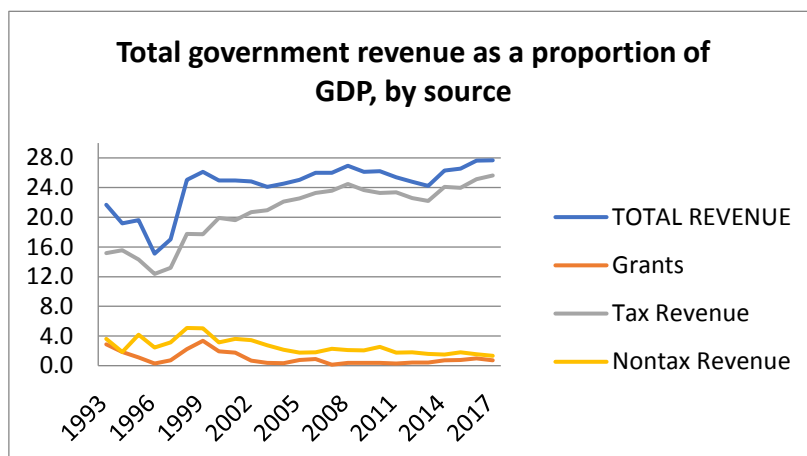
Definition: Total taxes as a percentage of Gross Domestic Product (GDP). In the OECD classification the term "taxes" is defined as compulsory unrequited payments to general government. The definition of government follows that of the 2008 System of National Accounts (SNA).

Alignment with UN definition: 100%

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

Disaggregation: Data is available at country level

*Source:* Administrative data provided by Ministry of Finance and Economy.

Periodicity: Annual

Available time series: 1993-2017

Tier I

UN Target 17.1.2	Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.
Indicator 17.1.2	Proportion of domestic budget funded by domestic taxes

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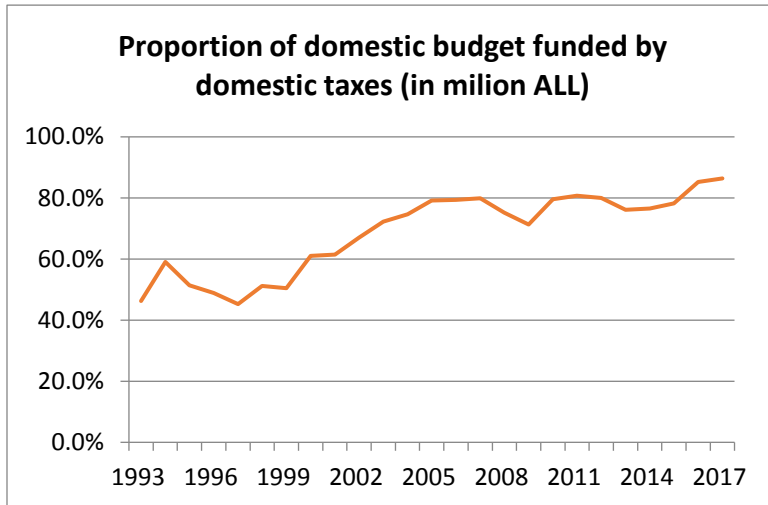
Definition: Tax burden: Revenue in the form of taxes as defined under government finance statistics (GFS) code 11 as a share of total revenue. Tax burden is directly related to the wider concept of fiscal burden, which can be derived from combining two GFSM 2014 revenue codes: code 11 Taxes plus code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

Alignment with UN definition: 100%

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

Disaggregation: Data is available at country level

Source: Administrative data provided by Ministry of Finance and Economy

Periodicity: Annual

Available time series: 1993-2017

Government Priorities

NSDI II, 9.0 Pillar 1: Growth Through Macro-Economic and Fiscal Stability, 9.1: Strengthening the Financial System and Monetary Policy

EU integration Priorities

Chapter 16: Taxation

Chapter 22: Regional Policy and Coordination of Structural Instruments

Tier I