

Albania

Synthesis of the baseline brief

COMPONENT 1: CONDUCTIVE ENVIRONMENT

Objective 1: An enabling legal and policy environment for the exercise of the rights of freedom, expression, assembly and association

Result 1.1.: All individuals and legal entities can express themselves freely, assemble peacefully and establish, join and participate in non-formal and/or registered organisations

	Freedom of association is a constitutional right for any individual and legal entity without any age, nationality, legal capacity, gender, and ethnic based discrimination. Any person can exercise his right to establish associations, foundations and centres.
	Registration of CSOs is not mandatory and in cases when a CSO decides to register, rules and procedures for registration are clearly established and foreseen by the law. There are no sanctions applied for unregistered CSOs.
	The process of registration for CSOs is centralised and the registration procedures is done only in the Tirana Court of First Instance. This is considered a barrier for CSOs based outside Tirana because of the additional costs and time needed.
	Networking, both within and outside of the country without prior notice, is allowed.
	An official number of registered CSOs is missing and organisations cannot register online.
	The Law on the Registration of Non-Profit Organisations stipulates the right of CSOs to operate without state interference in their internal governance and activities, but there is no special provision related to state protection from interference by third parties.
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	The legal framework of the Albanian Constitution guarantees the right to enjoy freedom of peaceful assembly as specified in the Law on Assembly. The law is respected in practice. The laws recognise and do not restrict spontaneous, simultaneous and counter-assemblies
	Assemblies are organised in conformity with and in respect to the law, and the role of the police has been supportive. Media is present at peaceful assemblies.
	Albania offers constitutional and legal guarantees of the right of citizens to express themselves freely. Any limitations, such as restrictions on hate speech, imposed by legislation are described clearly and in accordance with international laws in the Penal Code of the Republic of Albania. Libel is regulated in the Penal Code despite efforts in 2012 to remove it and include it in the Civil Code.
	There are rare cases of detention and accusation of CSOs, which have been resolved by the prosecutor's decision not to pursue charges.
	Albanian legislation meets the basic requirements to facilitate and support the implementation and improvement of new technologies, new services and new regulations in the Albanian Information and Communications Technology (ICT) Sector.
	Still, Albania suffers from a low penetration of fixed lines and Internet; a low percentage of PC ownership; high costs of Internet and mobile access and services; a low level of awareness of the

	benefits of the use of ICT; a digital gap between urban and rural areas and, in comparison to other countries in Europe, a low level of state subsidies and a lack of policies to support all these.
	There are no cases in practice where restrictions are imposed on accessing any source of information, including the Internet or ICT. There is no practice or case of unjustified monitoring of communication channels, including the Internet or ICT, by the authorities or of collecting user information. There is no case of police harassment of members of social networking groups.

Result: 1.2. Policies and the legal environment stimulate and facilitate volunteering and employment in CSOs

	There is no precise data on the number of employees in CSOs in Albania. Most Albanian CSOs cannot engage a full-time professional staff, but have one to three professional personnel, often employed on short-term project contracts or on an annual basis.
	There are only 1,651 CSOs registered with the tax authorities. However, recent civil society assessments found that only approximately 450 CSOs are active.
	1% of surveyed CSOs stated that they do not have employees, 16% have one employee, 40% from 2-5 employees, and 46% over 6 employees
	47% of surveyed CSOs believe that up to 10% of organisation engaged volunteers, 9% believe that 11-20% of CSOs engage volunteers, 23% believe that 21-50% CSOs engage volunteers, and 17% of CSOs believe that over 50% of CSOs engage volunteers
	59% of CSOs were inclined to stating that legal solution in Albania are not stimulating at all for volunteers, while 36% inclined stating that it is stimulating.
	The Albanian legislation related to human resources is unified for all employers and applied without differential treatment for CSOs. There are no incentive programmes for employment. State policies on employment are not considered a stimulant for CSOs.
	Albania has neither a law on voluntarism, nor state programmes on voluntarism.
	Contractual arrangements between CSOs and volunteers do not define the role of volunteers or their rights, duties and responsibilities. Contracts exist only in cases where volunteers come from EU programmes, such as the European Voluntary Service, where such contacts are required. There are no incentives or programmes on voluntarism
	There are legal obligations for CSOs to declare and register at the employment office and to pay insurance for their volunteers. There are harsh penalties for noncompliance. There are no moral or financial incentives for CSOs that perform activities based on voluntary work.

Result 1.3. National and/or local authorities have enabling policies and rules for grassroots organisations and/or civic initiatives.

	Registration of CSOs is not mandatory and, in cases where a CSO decides to register, rules and procedures for registration are clearly established and foreseen by the law. There are no sanctions applied for unregistered CSOs.
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	One of the major impediment for grassroots organisations is the fact that the process of registration of CSOs is centralised and the registration procedure is done only in the Tirana Court of First Instance. Otherwise, the registration process is easy, allowing for a relatively straightforward and timely registration of CSOs.
	The laws recognise and do not restrict spontaneous, simultaneous and counter-assemblies. The law regulates the procedures for prior notification when an assembly is organised in a public space.
	Albanian legislation meets the basic requirements to facilitate and support the implementation and improvement of new technologies, new services and new regulations in the Albanian ICT Sector.
	Still, Albania suffers from a low penetration of fixed lines and Internet, a low percentage of PC ownership, high costs of Internet and mobile access and services, a low level of awareness of the benefits of the use of ICT, a digital gap between urban and rural areas and, in comparison to other countries in Europe, a low level of state subsidies and a lack of policies to support all these.
	There are no cases of police harassment of members of social networking groups.

Objective: 2. An enabling financial environment, which supports the sustainability of CSOs.

Result: 2.1. Easy-to-meet financial rules for CSOs, which are proportionate to their turnover and non-commercial activities

	13% of surveyed CSOs assessed that prescribed financial rule, obligations of bookkeeping and accounting, referring to their organisations are not clear and understandable, while for 83% were clear and understandable
	For 30% of surveyed CSOs it is not simple to implement prescribed financial rule, obligations of bookkeeping and accounting, referring to their organisations are not clear and understandable, while for 67% is simple to implement
	Financial reporting and accounting rules are not effective and appropriate for CSOs. They do not take into the account the specific nature of CSOs and are not proportionate to the size of the organisations and their type and scope of activities (economic and non-economic).
	There are cases of political pressure on CSOs from the government playing the watchdog role by misusing laws on financial inspection, financial management and control.
	The Law on Non-Profit Organisations allows CSOs to engage directly in economic activities but, according to Civil Code, they are not permitted to perform profit-making activities. As a result, there seems to be a general misunderstanding as to what “profit-making activities” means.
	Reporting of economic and non-economic activities with the same format is not effective and is burdensome for CSOs.
	Bank transaction fees and charges, which are not allowed as budget costs are a financial burden in receiving foreign funding. The level of tax deduction does not encourage donations from individuals and corporate donors. There is no practice for endowments by CSOs in Albania.

Result: 2.2. Donations are stimulated with adequate legislation and regulations

	Albania is one of the few countries in the region that provides no tax incentives for individuals who give to charity.
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	The level of tax deduction does not encourage individual. Businesses that pay standard profit taxes may claim a reimbursement of up to four percent of taxable income on donations to CSOs, which are classed as a business “sponsorship”. Entrepreneurs that pay “small business taxes” can deduct up to one percent of their taxable income for donations.
	Procedures in place to claim tax deductions are not functional Businesses rarely use tax incentives for charitable giving. The law is not known or understood among the business community.

Result: 2.3. Financial (e.g. tax or in-kind) benefits are available

	Tax benefits are not available on various income sources of CSOs. There is confusion in the legal framework as well as in practice regarding exemptions of grants from tax (taxes on grants vs. donor requests for VAT invoices for grants received). This leads to different interpretations in practice. The Law on Non-Profit Organisations stipulates that CSOs are exempt from tax on revenues realised from donations and membership dues, and it seems that grants are not included in exemptions from taxes.
	The economic activity of CSOs is subject to a ten percent tax on profits. This is similar to companies, which are taxed at the same rate for their profits.
	CSOs are required to report under the VAT system even if formally they do not have the necessary turnover from economic activity; consequently, there are no effective tax benefits for the economic activities of CSOs that support the operation of CSOs.
	CSOs in Albania are allowed to engage in passive investments. They are treated in the same way as business activities, and are taxed, with no exceptions provided by the tax legislation except for bank interest.
	Tax benefits from endowments are not applied because Albania does not have any law regulating this issue. There is no practice for endowments by CSOs in Albania.

Result 2.4.: Government support to CSOs is available and provided in a transparent, accountable, fair and non-discriminatory manner

	The state budget for CSOs is roughly the same from year to year and, on average, 50 percent of the total allocated state funds are distributed to CSOs.
	Public funding is available only for the past three years through the state agency, Civil Society Support Agency (CSSA). It does not support institutional development and co-financing of EU projects. Grants and non-financial support are limited and available only in big municipalities.
	Albania does not have a national strategy document that regulates state support for institutional development of CSOs and targets civil society as a whole.
	Funds are provided only through a national mechanism, which has a mandate for distribution of public funds to CSOs, the CSSA.
	The field of priorities of the CSSA is decided to conform to the priorities of the Albanian Government, and are not based on a consultation with the CSO Sector.
	CSO representatives in the supervisory board of CSSA are “pro-government civil society activists”,

	which affects the agency's impartiality.
	Watchdog organisations and movements campaigning against government policies are unlikely to receive support from the agency. Co-financing of EU programmes and projects through public funds is not a practice in Albania.
	Participation of CSOs in the public financing cycle is not transparent.
	The procedure for the distribution of public funds as described in the law of CSSA and its internal regulations allows for a transparent and legally binding procedure.
	The list of criteria is published during the launch of the call for proposals. Procedures addressing issues of conflict of interest in decision-making are prescribed in the CSSA law. Information is publicly announced on the official web site of the competent authorities and/or daily newspaper.
	The areas and amount of funds distributed are prescribed clearly in the annual reports of the CSSA.
	The procedures of application are not simplified and CSOs encounter unnecessary bureaucracies. Decisions on tenders are not considered fair and transparent.
	Internal monitoring is carried out during project implementation by CSSA but without consolidated standards. The regular evaluation of the effects and impacts of public funds is not carried out by the CSSA.
	Legislation allows state authorities to allocate non-financial support, such as state property, for example, the rental of space without or with reduced financial compensation. There are no clear procedures or guidelines for non-financial support.
	There are sporadic cases, especially at local level, where a local authority guarantees non-financial support. The CSSA does not provide non-financial support to CSOs.
	Based on the existing legislation, CSOs can compete for state contracts on an equal basis to other service providers and there are no legal barriers to CSOs receiving public funding for the provision of different services through procurement procedures. But, in practice, CSOs are not able to obtain contracts in competition with other service providers due to a lack of clear rules and procedures and a lack of capacities from the government institutions on contracting out to CSOs.
	The Law on Non-Profit Organisation is the basis upon which CSOs exercises activities for the good and benefit of the public. The Law on Social Assistance and Services allows CSOs to deliver privately funded social services as well as public services with funding from the state budget. The contracting of CSOs by the state is limited to basic social services related to the reintegration of persons in need, such as the victims of trafficking and domestic violence or Roma integration.
	To deliver social services, CSOs need to obtain a license from the Ministry of Social Welfare and Youth based on criteria and procedures defined in a decision by the Council of Ministers. The procedure for obtaining prior licensing is burdensome for CSOs.
	CSOs are not included in all stages of developing and providing services. They are invited to participate in the procurement procedure for the delivery of the service after it is determined.
	Financing opportunities from the state have been low and the Government has failed to contract with CSOs for an inclusive strategy to support the development of civil society.
	The tender process is very difficult; the expenses for the preparation of the required documents are high; and the CSOs have no liquidity to cover these expenses.
	If there are cases of state funding, the funding available is for a short period with a maximum of one year. Most CSOs do not have revenues from public procurement or from the state contracts. The funds are disbursed at the end of the project making it difficult for CSOs to implement projects if they do not have the liquidity to cover their expenses. In some cases, the funding does not cover the

	administrative costs, which are needed for the implementation of the project. There are delays in payment and funding is not flexible.
	The Public Procurement Law prescribes clear procedures and types of procedures for funds for services' distribution, but the price is the lead criteria for selection of service providers, not taking into consideration the quality of the services delivered. There is no clear guidance to ensure transparency and avoid conflict of interest.. There is a lack of information and clarity regarding the legal framework and technicalities for CSOs contracting among the public officials dealing with procurement.
	The Law on Public Procurement foresees period of validity of contractual obligations as well standards for service providers' qualifications, but does not foresee the monitoring procedures. CSOs are not subject to excessive control.
	Neither regular evaluations on the impact of the services are carried out, nor they are publicly available.

Changing relations CSOs and government

Objective 3: Civil society and public institutions work in partnership through dialogue and cooperation based on willingness, trust and mutual acknowledgment around common interests

Result: 3.1. Public institutions recognise the importance of CSOs in improving good governance through CSO inclusion in decision-making processes

	27% of CSOs in Albania were consulted in the process of preparation of drafts of local strategies, 26% of local action plans, 30% of specific laws, 19% of national strategies, 17% of national action plans, 16% of IPA programming of EU financial support, 13% of policy documents, 42% were not present in such consultations
	There are no national strategic documents dealing with the state-CSO relationship and CSDev, which is associated with a lack of adequate structures and mechanisms, has the mandate to facilitate cooperation between the state and CSOs.
	Albania does not have a national strategy for the cooperation between CSOs and Government and civil society development. There is a lack of clear mechanisms for consultations with CSOs that would ensure that civil society is properly consulted in the process of drafting and adopting legislation or policies.
	Encouraged by the open and collaborative approach demonstrated by the new government coming into power after the Parliamentary elections of 23 June 2013, the Civil Society Sector has started a dialogue on a series of issues including the Charter for Civil Society to the Albanian Parliament.
	There are no binding rules or procedures for public authorities requiring them to publish draft policies and draft laws
	The Law on the Right of Information on Official Documents guarantees the right to information on official documents and defines clear procedures for access to public information, conditions, exception and deadlines. There are clearly prescribed sanctions for civil servants or units who breaching the legal requirements on access to public information.
	Draft laws are not published by public authorities. Public access to draft policies and draft laws is

	difficult, according to 45 percent of CSOs. Deadlines for providing comments generally remain too short and there are no clear rules on public consultation.
	There is no specific law regulating the issue of CSOs as equal partners represented in advisory bodies but, in different laws, the creation of advisory bodies is sanctioned. There are laws, which stipulate the creation of an advisory body, but they are in the minority and can hardly influence any policy initiatives.
	There is a lack of information among CSOs regarding the existence and functioning of such bodies and structures. Participation of CSOs in advisory bodies is considered difficult. The selection procedures are considered unclear and non-transparent, according to 57 percent of CSOs.
	There are units in ministries covering relations with civil society but always within the scope of the ministries. Binding provisions on the involvement of CSOs in the policy and decision-making process do not exist. National mechanisms at the ministry level lack the capacities to facilitate CSO-government dialogues. Relationships between the government and CSOs have been weak and sporadic. There is a lack of capacities of public institutions to facilitate a dialogue.
	Transparency and access to information remain poor and problematic. Involvement of CSOs in policy-making and decision-making has been characterised by spontaneity, selectivity of participants in the process using political criteria, or limited to the certain stages of the process. Information on the draft documents is not provided in time
	There are no available data regarding the educational programmes and trainings of the civil servants who are in charge of drafting public policies. The units coordinating and monitoring public consultations do not have sufficient capacities.
	Many parts of public administration are suspicious of CSOs that are often seen as political opponents of the Government and, therefore, as potential obstacles to the on-going reform process. There is also the perception that CSOs exist to serve the interests of private individuals or selective fractions of society rather than the public at large.
	According to different surveys, CSOs do not believe that government considers civil society a serious or important actor in its efforts to increase transparency and accountability.

CSOs Capacities

Objective 4.: Capable, transparent and accountable CSOs

Result 4.1.: CSOs' internal governance structures are transparent and accountable to members/constituents/beneficiaries

	56% of CSOs believe that decision making in CSOs in Albania is in compliance with prescribed rules and laws of the organisation, 22% believe that decisions are made by some individual or top management, 21% that decisions are made with prescribed rules including consultations with the employees and volunteers
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Result 4.2.: CSOs are able to communicate the results of their activities to the public

	33.1% of surveyed trust to NGOs in their country, general population trust the most to media 63.7% of surveyed, and the least to political parties 19.2% of surveyed.
	60.7% of general population do not trust to NGOs.
	35.4% of the general population believes that NGOs support dealing with problems in their country, 62.6% of population believe that media supports in dealing with problems, and political party support the least 24.5%.
	64% of surveyed believe that CSOs in their country are not active in fighting problems in protection of animals, 59% believe in the area of rural development, and 56% in safety

Result 4.3.: CSOs are transparent about their programme activities and financial management

	48% CSOs stated that they publish their statute on their web page, 20% stated that the statute is accessible to the public, 36% stated that the statute is not accessible to the public.
	33% of CSOs stated that they have a rulebook and it available on their web page, 14% stated that they have a rulebook, 14% stated that have a rulebook, but it is not accessible to the public, and 41% stated that they do not have a rulebook

Result 4.4.: CSOs monitor and evaluate the results and impact of their work

	27% of CSOs evaluate their projects pro forma, while 66% evaluate projects with the purpose of establishing efficiency and drawing a lesson for further projects
	26% use external evaluator for assessment of implementation of their organisational strategy.

Objective 5.: Effective CSOs

Result 5.1.: CSO activities are guided by strategic long-term organisational planning

	73% of CSOs have developed strategic plan, 18% do not have a strategic plan
	81% use internal evaluation when employing staff in their organisation
	63% of CSOs stated that they have a human resources development plan aimed at attacking and keeping talented associates, while 18% stated that they are developing such plan
	82% of CSO stated that they manage to keep talented associates, and 80% believe that they manage to attract quality new people

Result 5.2.: CSOs use research and other forms of evidence to underpin their activities

	79% of CSOs active in public advocacy, mainly/frequently uses research for their advocacy actions,
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	while 21% of them mainly/very rarely use research
	84% of CSOs believe that they have enough information at their disposal
	61% of CSOs use official data of national statistical offices, ministries, 13% conduct their own studies, 17% use international institutions such as the World Bank, UNICEF, EBRD

Result 5.3.: CSOs regularly network within and outside country borders and make use of coalition-building for increased impact in campaigning and advocacy

	41% of CSOs indicated that they do not belong to any international network, 27% stated that belong to one international network, 12% stated that they belong to 2 international networks, 21% belong to more than 3 international networks
	28% of CSOs indicated that they do not belong to any national network, 32% stated that belong to one national network, 14% stated that they belong to 2 national networks, 26% belong to more than 3 national networks
	56% of CSOs indicated that they do not belong to any local network, 19% stated that belong to one local network, 7% stated that they belong to 2 local networks, 17% belong to more than 3 local networks
	30% of CSOs do not find CSO networks efficient, while 70% find them efficient
	52% of CSO stated that their contributed in terms of the exchange of experience/knowledge from being member of a network.

Objective 6.: Financially sustainable CSOs

Result 6.1.: Fund-raising activities are rooted in CSOs' long-term strategic plans and the core mission of the organisation

	56% of CSOs believe that CSOs in Albania mainly adopt to donors' priorities and collect funds also for other activities not in line with their organisational strategic plan, while 44% of CSOs believe that CSOs in Albania mainly stick with their strategic plan and collect funds for activities in line with their strategic plan
	66% of CSOs stated that they mainly stick t their strategic plans and collects fund for activities in line with its strategic plan, while 35% stated that they adapt to donors' priorities and collect funds also for other activities not in line with its strategic plans

Result 6.2.: CSO have a diversified funding base, including membership fees, corporate/individual giving and social entrepreneurship

	14% of CSOs stated that they did not have any donors in the past year, 10% had one donor, 28% had between 2-3 donors, 10% had 4-5 donors, and 9% over 6 donors
	40% of CSOs had income from membership fees, 27% had from citizens, 20% from local self-government and/or regional administration, 50% from other foreign private or state resources, 25% from the EU funds, 19% from governments/ministries/state administration bodies, 25% from private companies operating in the country, 9% from public companies
	60% of CSOs did not have income from membership fees, 73% did not have from citizens, 80% from local self-government and/or regional administration, 50% from other foreign private or state resources, 75% from the EU funds, 81% from governments/ministries/state administration bodies, 75% from private companies operating in the country, 91% from public companies