



European Economic and Social Committee

REX 240
Albania – role of civil
society in EU pre-accession
aid programmes

Brussels, 9 July 2008

OPINION

of the

European Economic and Social Committee

on

The role of civil society in EU pre-accession aid programmes in the Republic of Albania
(own-initiative opinion)

On 16 February 2007 the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an own-initiative opinion on

The role of civil society in EU pre-accession aid programmes in the Republic of Albania.

The Section for External Relations, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 12 June 2008. The rapporteur was Ms Florio.

At its 446th plenary session, held on 9 and 10 July 2008 (meeting of 9 July), the European Economic and Social Committee adopted the following opinion with 122 votes in favour and one abstention.

*

* *

1. Introduction

- 1.1 It is of vital importance for Europe, both now and in the future, that the whole Western Balkans region be stable, peaceful, developed and integrated. The need for the EU to step up its policy towards the region's countries has therefore become increasingly apparent in recent years.
- 1.2 Given its geographic position facing the Mediterranean and its importance in the sometimes fragile equilibrium of the region, Albania merits particular attention from the EU institutions. For over ten years, the Euro-Mediterranean partnership has been the central framework for relations between the EU and its southern Mediterranean partners, with the aim of achieving long-term stability in the region. Albania joined the partnership in early November 2007.
- 1.3 EU action in Albania involves a series of measures to promote the economic, democratic and social development of its institutions. Local authorities and civil society are at the centre of programmes aimed at encouraging public involvement in the journey towards EU integration.
- 1.4 Through this own-initiative opinion, the EESC aims to highlight the role of civil society and the need to monitor both the progress made and the obstacles that remain as regards strengthening Albania's democratic institutions and integrating it more closely with EU policies.
- 1.5 A delegation of EESC members, representing the Committee's three groups, visited Tirana on a mission to Albania from 31 March to 1 April 2008. This provided an opportunity to meet many people representing Albanian civil society organisations; the dialogue was particularly constructive and has helped shape this opinion.

2. Conclusions and recommendations

- 2.1 Civil society in all its forms has a vital role to play in the democratic and civil development of all countries¹. This is particularly the case in a country like Albania which, strengthened by its important geo-political position, has made significant progress in recent years in building up democratic institutions and engaging with European and other Western organisations (such as NATO).
- 2.2 To achieve inclusive and democratic social progress, the people need to have an input into the policies adopted by government, and these must be monitored.
- 2.3 **The EESC therefore points out that the European Commission delegation to Albania should devote more attention and resources to the activities of civil society as a whole, which should be among its priorities.** Civil society activities should be stepped up in the country's rural and less-developed areas.
- 2.4 Given that a number of international players are present in Albania, supporting the work of its civil society through various projects, and in view of certain difficulties and specific features inherent to the country's social fabric, the way in which the EU conducts its relations is very important. In particular, access to funding should be conditioned by certain requirements favouring organisations with established, clearly defined objectives, and which are genuinely representative of the people.
- 2.5 In any evolving society, tripartite social dialogue has a key role to play. The EESC welcomes the progress made since 1996 with the establishment of the National Labour Council; to date, however, there have been problems with the way this body operates. There is a need for more transparency, participation and involvement of participants, who should also be representative and accountable. The council should meet regularly and its agenda should extend to all of the most important issues arising from the country's economic development policies. Its discussions should have a real impact on the work of government.
- 2.6 Also, with a view to increasing the role of the Albanian people in the democratic process, civil dialogue should be stepped up. To this end, the EU can play an important role in providing vocational training across the whole of civil society, focusing on organisations that are visibly active in Albanian society.
- 2.7 Bearing in mind that the situation is evolving rapidly, the EESC undertakes to continue monitoring and supporting Albanian civil society organisations, and reiterates the importance of the country for the stability of the entire region.

¹ The European Commission highlights the importance and problems of civil society in the Western Balkans in its communication on *Enlargement strategy and main challenges 2007-2008*, COM(2007) 663 final.

2.8 In line with the conclusions of the 2nd Western Balkans Civil Society Forum (held in Ljubljana on 4 and 5 June 2008), the establishment of a joint consultative committee for Albania could give voice to the needs of civil society, and help build strong relations between its organisations and the EU institutions. Furthermore, the EESC, through its work in the Balkans, could help increase cooperation between the region's civil society organisations, ensuring that Albania is fully involved.

2.9 European civil society organisations have a key role to play in involving and informing Albanian organisations with regard to EU policies and programmes.

3. **Instruments of EU action in Albania**

3.1 The EU's overall policy framework for Western Balkan countries is the Stabilisation and Association Process, in which Albania participates.

3.2 In January 2006 the European Council adopted a European Partnership for Albania, which identifies short and medium term priorities which Albania should address. In July 2006, Albania adopted a national action plan to implement the European Partnership recommendations. The Albanian government is now revising the 2006 action plan with a view to implementing the European Partnership in 2008. Albania signed a Stabilisation and Association Agreement (SAA) on 12 June 2006, which provides a framework for mutual commitments on political, trade and economic issues while encouraging regional cooperation.

3.3 From 2001 to 2007, the European Commission's main financial instrument for cooperation with Albania was the CARDS programme (Community Assistance for Reconstruction, Development and Stabilisation), which provided for five main areas of intervention:

- stabilisation of democracy: through micro-projects fostering the development of civil society and of NGOs promoting human, social and political rights, and through initiatives aimed at strengthening the electoral system;
- justice and home affairs: supporting the reform of the judicial system, public prosecutors and police; also working towards integrated management of maritime and land borders, supporting the work of border police;
- administrative capacity building: programmes aimed at reforming the tax and tariff systems and through programmes on procurement and on statistical surveys and data management;
- economic and social development: facilitating trade and developing local communities; supporting the Tempus programme and training to promote education; and
- environment and natural resources: measures to back up legislation on urban and regional environmental planning; supporting programmes on water and air quality and on waste disposal.

Initially focused on physical reconstruction, CARDS assistance shifted to strengthening the State's administrative capacity with a view to achieving the European Partnership priorities and SAA implementation requirements. For the period 2001-2006, a total of EUR 282.1 million was allocated to Albania under CARDS².

- 3.4 As a result of the Community's reform of external aid, the CARDS programme has been replaced by the new Instrument for Pre-Accession Assistance (IPA) as of January 2007. The major objective of the IPA is to streamline all pre-accession assistance in a single framework for both candidate and potential candidate countries. Under the IPA, the Multi-Annual Indicative Planning Document (MIPD) 2007-2009 for Albania was adopted in May 2007 and Albania will receive a total amount of EUR 212.9 million.
- 3.5 An EU-Albania agreement on visa facilitation was signed in September 2007 and is likely to enter into force in the first half of 2008, once all the conditions have been met. This should make travelling to the EU easier for Albanian citizens.
- 3.6 Albania's participation in the **Central European Free Trade Agreement** (CEFTA) and the Stability Pact for South-Eastern Europe, as well as the involvement of the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB) has led to a whole network of different players helping Albania progress towards more European standards.

4. **The political and economic situation in Albania**

- 4.1 Albania's economic growth recently dipped slightly following the energy crisis that hit the country. The key factor sustaining the Albanian economy remains migrants' remittances, particularly from Italy and Greece. Agriculture accounts for a third of GDP and the official unemployment rate is 13.46%, while the informal economy remains a significant factor.
- 4.2 Differences remain between the poorer, lagging rural areas of the North and the urban areas of the South and continue to shape the situation in the country. This divergence is partly explained by recent events, mainly linked to the conflicts that have occurred in the Balkans and the ensuing political, economic and social fallout (including embargoes) on countries in the region involved either directly or indirectly.
- 4.3 Substantial progress needs to be made in combating the scourge of corruption, which remains rife across many sectors of the economy and administration.
- 4.4 While all the political players agree that efforts should be made to speed up the EU accession process, in practice there is no effective cooperation between majority and opposition on achieving the necessary reforms.

²

European Commission, http://ec.europa.eu/enlargement/albania/eu_albania_relations_en.htm.

- 4.5 Within the framework of Albania's interim agreement under the SAA, there has recently been modest progress on the judicial system (noted also in the recent Commission communication on the Western Balkans³). However, there is also a crucial need for action on media legislation and on combating undeclared work, corruption, organised crime and poverty. There is often a disconnect between legislative reforms and implementation, and this needs to be monitored.
- 4.6 A general election will be held in 2009. Ahead of this, the Committee would hope to see strengthening of the electoral system and of the infrastructure necessary for democratic elections, such as an electoral register of people eligible to vote.
- 4.7 The official invitation to Albania to join NATO issued during the Bucharest summit on 2-4 April last, needs to be factored into the overall geo-political picture and the process of integrating Albania into Western institutions.
5. **The role of civil society in the journey towards EU integration**
- 5.1 The EU has launched a participatory strategy, to involve civil society, local authorities and donors. To this end a participatory action plan was drawn up, which provides for the involvement of civil society in drafting the medium-term expenditure plan, in which decisions can be taken on the allocation of resources to the various areas of activity.
- 5.2 Civil society consultation groups have also been set up in four key areas: agriculture, education, health and social affairs, and employment; a national advisory group and a technical secretariat within the Ministry of Finance have also been established. Projects aimed at strengthening local government institutions are also of key importance in facilitating their involvement in the process.
- 5.3 The involvement of local authorities and other bodies working on the ground is of vital importance for consolidating democracy and giving the public some control over the actions of central government. This is particularly the case in a country like Albania, which is trying to meet the criteria for full EU membership.
- 5.4 The work of Albanian civil society is hindered by limited participatory democracy. International organisations and their development aid programmes play a key role in funding the activities of civil society organisations: this is the key point to bear in mind in dealing with a society that is trying to build up its democratic institutions bit by bit. It is important to point out that the USA also has a strong presence in Albanian society in terms of development aid programmes, particularly through its USAID agency.

³ Communication from the Commission to the European Parliament and the Council, *Western Balkans: Enhancing the European perspective*, COM(2008)127 final.

- 5.5 From a political perspective, the support of the EU and other international bodies in Albania's drive to meet the standards required for full integration must go hand in hand with the manifest and free political will of the Albanian people and their representatives in favour of reforms aimed at improving the economic and social conditions of the country. The EESC thus welcomes the Albanian government's decision to allocate EUR 1 million to civil society in the latest budget. The Committee hopes that the means of administering and allocating the funds (as yet undecided) will be genuinely transparent and properly monitored.
- 5.6 In order to develop the role of civil society, the currently insubstantial and ineffective dialogue between it and the government must be stepped up. Civil society organisations have a useful role to play in the drafting and monitoring of legislation, in terms of achieving effective reforms that are built on consensus.
- 5.7 There are many NGOs operating in Albania in different fields, including women's rights; the safeguarding of democracy, transparency and meritocracy in institutions; research centres; consumer organisations; etc. They tend to have certain limitations such as being mainly concentrated in Tirana with no wider presence throughout the country; sometimes having overly ambitious objectives to the detriment of effectiveness; and having an overly *professional* focus.
- 5.8 During its mission to Albania, EESC members observed certain tendencies in Albanian civil society, unfortunately common to other somewhat similar countries, such as the emergence of organisations with very few members and the excessive "*professionalisation*" of civil society players, making it just another entity playing by the same market rules.
- 5.9 Agriculture, which still accounts for a large part of Albania's GDP and workforce, is still paying the price for the privatisations of the 1990s (carried out under the plan proposed by the World Bank). These created a large number of micro agri-businesses whose structure is not conducive to joining forces in the common interest. Farmers' organisations thus confirmed to us that they supported a reform process aimed at modernising the economic and production systems of Albanian agriculture.

6. **Social dialogue**

- 6.1 Social dialogue and the representativeness of the social partners have not evolved in Albania in the same way as in EU countries. The economic, social and political situation of recent years has not been conducive to the establishment of consolidated social dialogue.
- 6.2 There are still very notable barriers to the normalisation of relations between the government and the social partners (especially the trade unions). The situation came to a head in August 2007 when bailiffs, accompanied by police, ordered the country's two trade union confederations to leave their rented headquarters. The unions blame the government for the

decision. The EESC thinks that a joint solution needs to be found to this problem, aimed at mending relations between the unions and government as soon as possible and ensuring that each party plays its role more effectively.

- 6.3 Albania's trade unions⁴ are seeking greater involvement, particularly in delicate issues such as framing measures in response to price increases, efforts to counter corruption and the informal economy, the reform of the energy/oil sector, and the impact on employment.
- 6.4 Employers' bodies – although fragmented and still somewhat reluctant to cooperate – all complain about the lack of transparency, participation and involvement in the legislative process, especially regarding measures that most affect economic activity. They feel that all parties to the tripartite dialogue need to comply with the rules and ensure proper representation.
- 6.5 The major forum for tripartite dialogue in Albania is the National Labour Council, set up in 1996. It aims to reconcile the interests of the various economic players, ease conflicts and maintain social harmony⁵.
- 6.6 Over the years, the work of the council has enabled the social partners to gain legitimacy and to exert a degree of influence on certain important decisions, particularly in the area of wage policies. Albania's political instability, particularly at the end of the 1990s, resulted in a frequent change of labour minister, and this must be borne in mind when assessing the National Labour Council.
- 6.7 Both workers' and employers' organisations are dissatisfied with the functioning of the National Labour Council, because of a lack of continuity in its work and because its views are not being sought on crucial political issues such as privatisation and financial legislation.
- 6.8 The EESC sees the National Labour Council as an extremely important body for developing social dialogue in Albania. It ought to be a forum for real debate and mediation in which issues of national importance are addressed. The representativeness of its participants and the scheduling and regularity of its meetings are of vital importance to the smooth functioning of the institution.

⁴ There are two main trade unions in Albania: the Union of Independent Trade Unions of Albania (BSPSH) and the Confederation of Trade Unions of Albania (KSSH). Both were founded in 1992.

⁵ The rules governing the National Labour Council are set out in Article 200 of the Albanian labour code (Law No 7961 of 12/07/1995 and subsequent amendments).

6.9 A law was passed in Albania to establish a labour inspectorate. However, this body is still limited in terms of capacity and practical reach, and problems persist due to weak legislation on workplace health and safety and poor enforcement.

Brussels, 9 July 2008.

The President
of the
European Economic and Social Committee

The Secretary-General
of the
European Economic and Social Committee

Dimitris Dimitriadis

Patrick Venturini
