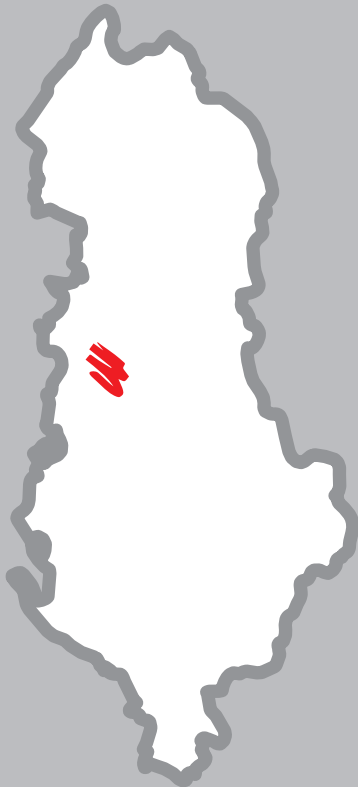




**CATHOLIC UNIVERSITY**  
OUR LADY OF GOOD COUNSEL



# **ALBANIA IN THE EYES OF THE WORLD**

## 2019



---

© **Copyright by:** Catholic University Our Lady of Good Counsel

**All Rights Reserved by:**

Catholic University Our Lady of Good Counsel

Rruga Dritan Hoxha, Tirana, Albania

✉ [info@unizkm.al](mailto:info@unizkm.al)

✉ [cespic@unizkm.al](mailto:cespic@unizkm.al)

🌐 [www.unizkm.al](http://www.unizkm.al)

**Design & Layout:** FZKM PRESS

# ***Albania in the Eyes of the World***

## ***2019***

---

## **The European Centre of Peace Science, Integration and Cooperation (CESPIC)**

The European Centre of Peace Science, Integration and Cooperation (CESPIC) is a research centre within the Catholic University 'Our Lady of Good Counsel' and it is intended to develop, spread and support Peace science. Peace science is now developing as interdisciplinary social science in different excellence universities, centers and think-thanks drawing heavily from different disciplines: economics, international relations, political science, in the first place, but also sociology, anthropology, religious anthropology, psychology. Peace science is both a positive and normative science. That is, Peace science focuses first on the roots and causes of conflicts and on the design of policies to establish a lasting peace. In particular, CESPIC approach to Peace is based on conceptual three pillars: (i) Peace 'from within'; (ii) Peace among states, polities and communities; (iii) Peace as global public good.

(i) First, CESPIC favors activities centered on micro-foundations of Peace within societies. Consider among others: local development, fight against poverty, inequality, conflict and conflict resolution between ethnic and religious minorities, social justice, empowerment of civil society and economic policies for the construction of peace.

(ii) The second pillar focuses on the issues and the dynamics that subtend the achievement of a lasting peace between states and polities within the global system. In particular, CESPIC focuses on models of interaction between states which go beyond deterrence and arms race but emphasizes cooperation and integration between states.

(iii) The third pillar considers Peace as a global public good and therefore it emphasizes the role and the attitude of the global institutions capable of (a) maintaining the peace in post-conflict scenes; (b) developing global economic policies; (c) tackling global issues as climate change, terrorism, forced migrations and transnational crime.

### **You can learn more about CESPIC at:**

Web page: <https://www.unizkm.al/en/research/cespic/about-us>

Twitter: <https://twitter.com/cespic>

Facebook: <https://www.facebook.com/CESPIC/>

### **CESPIC TEAM**

**Prof. Raul Caruso, Director**

**Dr. Antonella Biscione, Research Fellow**

**Sindi Kovaci, non-resident research assistant**

**Matteo Marroni, non-resident research assistant**

**Jorida Rexhepi, Administrative Assistant**

---

## Foreword

---

'**Albania in the Eyes of the World**' is a yearly report which collects and analyses different socio-economic metrics drawn from specialized reports and studies. In particular, the aim of 'Albania in the Eyes of the World' is to describe where Albania currently is and where it is heading in different social, economic and political fields. In brief, '**Albania in the Eyes in the World**' is intended to be a kind of *vademecum* providing guidance on Albanian development path. The pros of such approach are evident. In only one document it is possible to find a set of information whose combination eventually turns to be extremely valuable for students, scholars, journalists, policy-makers, entrepreneurs and investors.

As *CESPIC* is approaching the draft of "Albania in the Eyes of the World 2019", two relevant news have severely shocked the country. First, on October 18<sup>th</sup> the European council has refused to open the membership talks with both Albania and North Macedonia. The opposition to open talks has been led in particular by France, Denmark and Netherlands. Although a large number of other European leaders have labelled this decision as a mistake, in fact it poses some serious concerns about the future enlargement of EU to Balkan countries so shaping the expectations of many stakeholders. Second, on November 26<sup>th</sup> Albania has been hit by a severe earthquake whose epicentre was in the port city of Durrës. Then, it will pose an effective constraint to future developments of the country because natural disasters often impact on vulnerable social groups so enlarging the set of unmet needs of a large part of the population. The economic impact of disasters is far from being easily computed but surely it has to be calculated in the very long-run. In particular, it poses serious concerns about demographics. In fact, Albania in the latest years has shown a declining trend in population (-7.8% since 2000) counting nowadays less than 3 million people. The earthquake could worsen such trend even considering that both the unemployment – 13.9% – and youth unemployment – 31% – rates are presumably too high to keep people in the country. In brief, the events of the latest weeks pose a novel challenge to Albania, a middle-income country, that is expected to experience further economic and societal progress. In what follows the reader can find a useful collection of information to orient into this complex scenario. Needless to say, added value of this report is also the comparison of Albania with other Western Balkan countries (the WB6). Albeit incomplete, this is surely an instrument of discovering Albania in the light of some global standards.



Raul Caruso

Director

European Centre of Peace Science, Integration and Cooperation  
Catholic University 'Our Lady of Good Counsel'

---

## Contents

---

<b>Highlights.....</b>	<b>9</b>	<b>10. Press Freedom.....</b>	<b>33</b>
<b>1. Human Development Index.....</b>	<b>10</b>	<b>11. Doing Business.....</b>	<b>36</b>
<b>2. Global Peace Report.....</b>	<b>12</b>	<b>12. Rule of Law .....</b>	<b>40</b>
<b>3. Positive Peace Index.....</b>	<b>15</b>	<b>13. Corruption Perceptions .....</b>	<b>44</b>
<b>4. World Bank's Human Capital Index .....</b>	<b>18</b>	<b>14. Human Trafficking .....</b>	<b>47</b>
<b>5. FAO's The State of Food Security and Nutrition in the World.....</b>	<b>21</b>	<b>15. Inclusive Development.....</b>	<b>50</b>
<b>6. Freedom in the World.....</b>	<b>22</b>	<b>16. Global Gender Gap Report .....</b>	<b>53</b>
<b>7. Religious Freedom.....</b>	<b>25</b>	<b>17. Environment and Climate Change .....</b>	<b>56</b>
<b>8. Economic Freedom .....</b>	<b>27</b>	<b>18. Energy Transition.....</b>	<b>61</b>
<b>9. Globalization.....</b>	<b>30</b>	<b>19. UN Sustainable Development Goals .....</b>	<b>63</b>

---

## Charts

---

Chart 1 Albania in HDI-Inequality-Adjusted.....	10
Chart 2 WB6 in HDI 2018 Values.....	11
Chart 3 WB6 in IHDI 2018 Values.....	11
Chart 4 Albania in the Global Peace Index 2014-2019.....	13
Chart 5 WB6 in the Global Peace Index 2014-2019.....	14
Chart 6 WB6 in the Global Peace Index 2014-2019.....	14
Chart 7 Albania in PPI 2016-2018.....	16
Chart 8 WB6 in PPI 2016-2018.....	17
Chart 9 WB6 in PPI 2016-2018.....	17
Chart 10 Albania and the WB6 in HCI.....	19
Chart 11 Albania and the WB6 HCI Indicators.....	20
Chart 12 State of Food Security and Nutrition in Albania .....	21
Chart 13 Food Security in the WB6 .....	22
Chart 14 Albania and Freedom Indicators 2016-2018.....	23
Chart 15 WB6 Freedom 2016-2018 .....	24
Chart 16 WB6 Freedom Domains 2016-2018.....	24
Chart 17 Albania Religious Freedom 2007-2017.....	26
Chart 18 Religious Freedom in the WB6 2007-2017.....	27
Chart 19 Albania and Economic Freedom 2013-2017.....	28
Chart 20 WB6 Economic Freedom Overall Scores 2013-2016.....	29
Chart 21 WB6 Economic Freedom Indicators 2016 .....	30
Chart 22 Albania in Globalization Index 2012-2016.....	31
Chart 23 WB6 Globalization Scores 2016.....	32
Chart 24 WB6 Globalization Scores 2016.....	33
Chart 25 Albania Press Freedom 2012-2018.....	34
Chart 26 WB6 Press Freedom Scores.....	36
Chart 27 Ease of Doing Business in Albania 2018-2019 .....	38
Chart 28 Ease of Doing Business in the WB6 in 2019.....	39
Chart 29 Ease of Doing Business in the WB6 in 2019.....	39
Chart 30 Albania in the RoL Index 2015-2018.....	42
Chart 31 WB6 in the Rule of Law Index.....	43
Chart 32 WB6 in the Rule of Law Index.....	43
Chart 33 CPI and Albania 2012-2017.....	45
Chart 34 WB6 and Corruption 2012-2017 Scores.....	46
Chart 35 WB6 and Corruption 2012-2017 Rankings.....	46
Chart 36 Albania Inclusive Development 2014-2017.....	51
Chart 37 Serbia Inclusive Development 2014-2017 .....	52
Chart 38 North Macedonia Inclusive Development 2014-2017.....	52
Chart 39 Albania in GGGI 2013-2017.....	54
Chart 40 WB6 Overall Scores in GGGI 2013-2017.....	55
Chart 41 WB6 Indicators in GGGI 2017.....	56
Chart 42 Albania in the ND-GAIN 2013-2017.....	58
Chart 43 Albania ND-GAIN Adaptability Sectors 2013-2017.....	58
Chart 44 WB6 Climate Adaptability and Readiness 2013-2017 .....	59
Chart 45 WB6 Climate Vulnerability 2013-2017.....	60
Chart 46 Energy Transition Global Scores 2018.....	61
Chart 47 Albania and the WB6 in the 2019 ETI.....	62
Chart 48 Albania in the UPR-SDG Tool .....	64
Chart 49 WB6 in the UPR-SDG Tool .....	65

---

## Sources

---

- I. **Human Development Report** – Copyright @ 2019 By the United Nations Development Programme 1 UN Plaza, New York, NY 10017 USA (9 December 2019).
- II. **Institute for Economics and Peace** – Global Peace Index 2019: Measuring Peace in a Complex World, Sydney, June 2019. Available from: <http://visionofhumanity.org/reports> (accessed 3 October 2019).
- III. **Institute for Economics and Peace** – Positive Peace Report 2018: Analysing the factors that sustain peace, Sydney, October 2018. Available from: <http://visionofhumanity.org/reports> (accessed 3 October 2019).
- IV. **World Bank** – 2018. *The Human Capital Project*. World Bank, Washington, DC. © World Bank. <https://openknowledge.worldbank.org/handle/10986/30498> License: CC BY 3.0 IGO.
- V. **FAO, IFAD, UNICEF, WFP and WHO** – 2019. *The State of Food Security and Nutrition in the World 2019. Safeguarding against economic slowdowns and downturns*. Rome, FAO. License: CC BY-NC-SA 3.0 IGO.
- VI. **Freedom House** – Freedom in the World 2018, Washington D.C. (U.S.A.), 2019.
- VII. **Pew Research Center** – July 15, 2019, “A Closer Look at How Religious Restrictions Have Risen Around the World”.
- VIII. **James Gwartney, Robert Lawson, Joshua Hall, and Ryan Murphy (2018)** – *Economic Freedom of the World: 2018 Annual Report*. Fraser Institute. <<https://www.fraserinstitute.org/studies/economic-freedom>>.
- IX. **KOF Swiss Economic Institute** – Gygli, Savina, Florian Haelg, Niklas Potrafke and Jan-Egbert Sturm (2019): The KOF Globalisation Index – Revisited, *Review of International Organizations*, <https://doi.org/10.1007/s11558-019-09344-2>.
- X. **Reporters Sans Frontières** – World Press Freedom Index 2019, Paris (France), 2019.
- XI. **World Bank** – 2020. *Doing Business 2020*. Washington, DC: World Bank. DOI: 10.1596/978-1-4648-1440-2. License: Creative Commons Attribution CC BY 3.0 IGO.
- XII. **World Justice Project** – *Rule of Law Index 2019®*, Washington D.C. (U.S.A.), 2019.
- XIII. **Transparency International** – Corruption Perceptions Index 2018, Berlin (Germany), 2018.
- XIV. **United States of America, Department of State** – Trafficking in Persons Report 2018, Washington D.C. (U.S.A.), June 2018.
- XV. **World Economic Forum** – © 2018 World Economic Forum, Inclusive Development Index 2018, Geneva (Switzerland), January 2018.
- XVI. **World Economic Forum** – © 2018 World Economic Forum, The Global Gender Gap Report 2018, Geneva (Switzerland), 2018.
- XVII. **University of Notre Dame** – © 2019 University of Notre Dame, The Notre Dame Global Adaptation Country Index 2019, South Bend (U.S.A.), March 2019.
- XVIII. **World Economic Forum** – © 2019 World Economic Forum, Fostering Effective Energy Transition 2019 edition, Geneva (Switzerland), 2019.
- XIX. **The Danish Institute for Human Rights** – The SDG-Human Rights Data explorer, Copenhagen (Denmark), 2019



---

## Abbreviations

---

<b>AIC</b>	Albanian Islamic Community
<b>AMA</b>	Media Regulatory Authority
<b>ATP</b>	Agency for Treatment of Property
<b>BMP</b>	Border and Migration Police
<b>COP</b>	Conference of the Parties
<b>CPI</b>	Corruption Perceptions Index
<b>CSO</b>	Civil Society Organization
<b>EODB</b>	Ease of Doing Business
<b>ETH</b>	Eidgenössische Technische Hochschule Zürich
<b>ETI</b>	Energy Transition Index
<b>EU</b>	European Union
<b>EURALIUS</b>	European Assistance Mission to Albania Justice System
<b>FAO</b>	Food and Agriculture Organization
<b>FYROM</b>	Former Yugoslav Republic of Macedonia
<b>GDP</b>	Gross Domestic Product
<b>GGGI/GGGR</b>	Global Gender Gap Index/Report
<b>GPI</b>	Global Peace Index
<b>GRI</b>	Government Restrictions Index
<b>HCI</b>	Human Capital Index
<b>HDI</b>	Human Development Index
<b>HDR</b>	Human Development Report
<b>IEP</b>	Institute of Economics and Peace
<b>IHDI</b>	Inequality-Adjusted Human Development Index
<b>ILO</b>	International Labor Organization
<b>IPA</b>	Instrument of Pre-Accession
<b>KOF</b>	Konjunkturforschungsstelle
<b>LAC</b>	Latin America and Caribbean
<b>MENA</b>	Middle East and North Africa
<b>MOMA</b>	Media Ownership Monitor Albania
<b>ND-GAIN</b>	Notre Dame Global Adaptation Initiative
<b>NGO</b>	Non-governmental Organization
<b>OECD</b>	Organization for Economic Co-Operation and Development
<b>ONAC</b>	Office of the National Anti-Trafficking Coordinator
<b>PPI</b>	Positive Peace Index
<b>RoL</b>	Rule of Law
<b>RSF</b>	Reporters sans Frontières
<b>SDG</b>	Sustainable Development Goals
<b>SHI</b>	Social Hostilities Index
<b>SOP</b>	Standard Operating Procedures
<b>TIP</b>	Trafficking in Persons
<b>UN</b>	United Nations
<b>UNDP</b>	United Nations Development Programme
<b>VUSH</b>	Evangelical Brotherhood of Albania
<b>WB6</b>	Western Balkans' Six
<b>WEF</b>	World Economic Forum
<b>WL</b>	Watch List

---

## Highlights

---

- I. **Human Development Index.** Albania ranked 69<sup>th</sup> – out of 189 countries assessed – in the 2019 HDI, with an overall score of 0.791. Since 1990, the country improved constantly its HDI score (+0.147).
- II. **Peace.** Albania is ranking high in both the *Global Peace Index* and *Positive Peace Index* – 51<sup>st</sup> and 53<sup>rd</sup> respectively – and it is improving its overall peace levels year by year. Currently Albania appears to be the most peaceful from the Western Balkans' Six.
- III. **Economic development.** Albania is performing well in the *Economic Freedom Index* – ranking 34<sup>th</sup>. Worst performances are highlighted by the *Doing Business Report* as Albania ranks 63<sup>rd</sup>. The country stands 28<sup>th</sup> (out of a group of 78 emerging countries) in the *Inclusive Development Index*.
- IV. **Rule of law and corruption.** According to the *Rule of Law Index*, since 2015 Albania ranks 71<sup>st</sup> in the world. With regard to corruption, according to the *Corruption Perceptions Index* Albania ranks 99<sup>th</sup>, out of 180 countries evaluated, with a score of 36/100, which is below the global average (43/100).
- V. **Environmental sustainability.** In the *Notre Dame University Global Adaptation Initiative-Country Index 2017* Albania ranks 78<sup>th</sup>, out of 181 countries and it is the European country most vulnerable and least likely to respond to climate-related harsh events.
- VI. **Food Security.** According to the *State of Food Security and Nutrition in the World 2019*, Albania is amongst the most food-insecure European countries, with a “Prevalence of undernourishment in the total population” of 6.2% and a “Prevalence of moderate or severe food insecurity in the total population” of 38.6%.

# 1. Human Development Index

Since 2010 the United Nations Development Programme (UNDP) releases a Human Development report centered around the Human Development Index (HDI) which is a composite indicator calculated taking into considerations 3 components: (i) Health-life expectancy at birth; (ii) Education-expected years schooling for school-age children and average years of schooling in the adult population; (iii) Gross National Income per capita (PPP US\$). The former index is therefore enriched by discounting each component according to its level of inequality so shaping the Inequality-adjusted Human Development Index (IHDI). The 2019 Human development Report (HDR) primarily focuses on the inequalities that are affecting the societal development. The 2019 HDR thus concentrated its analysis efforts on inequalities' topics such as income, wealth, gender and access to technology benefits, or on subjects connected to it such as climate change and the human footprint on natural resources.

Albania, in the 2019 HDI, ranked 69<sup>th</sup> – out of 189 countries assessed – with an overall score of 0.791. Since 1990, the country improved constantly its HDI score (+0.147), but in the period 2013-2018 has lost 5 positions in the HDI rank. With chart #1 Albania HDI profile is provided with scores from inequalities indicators – Inequality-adjusted HDI or IHDI –. A comparison between 2019 HDR and 2018 Human Development Statistical Update (scores referring to year 2018 and 2017) is also given.

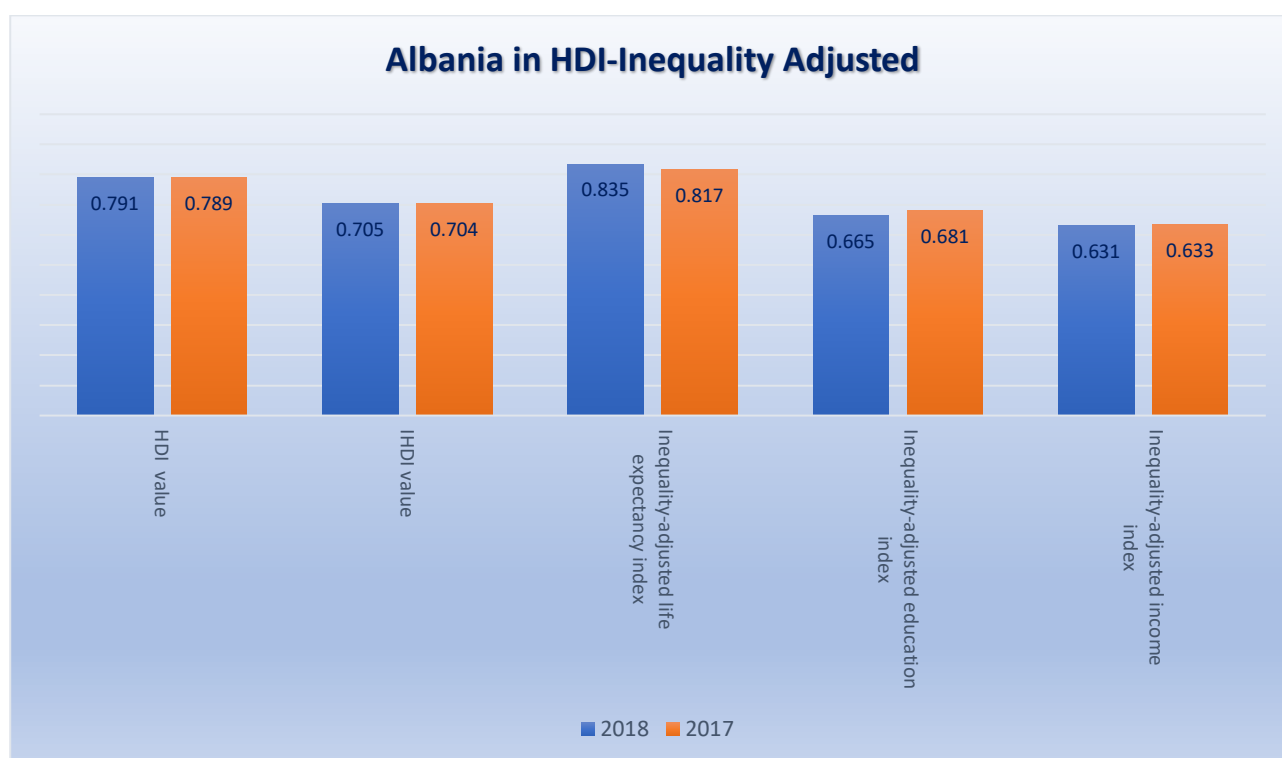


Chart 1

Adjusting Albania's profiles with inequalities indicators it is possible to note that in spite of the worsening of few indicators – e.g. education index and income index –, the country slightly improved its overall IHDI condition (+0.001); under a relative perspective, Albanian achievements appear even more significant as the country gains 8 positions comparing its HDI rank to its IHDI rank. This could mean that despite global inequalities trends, Albanian human development is benefitting from a sort of equalities equilibrium; for instance, taking as example the other WB6's HDI-IHDI, only Montenegro and North Macedonia (+5 positions) have a positive balance, while Serbia and Bosnia & Herzegovina register a fall by four and two positions respectively. In chart 2 and 3 an HDI-IHDI comparison of the WB6, with reference to the 2019 HDR, is provided. Kosovo is not assessed by the HDR.

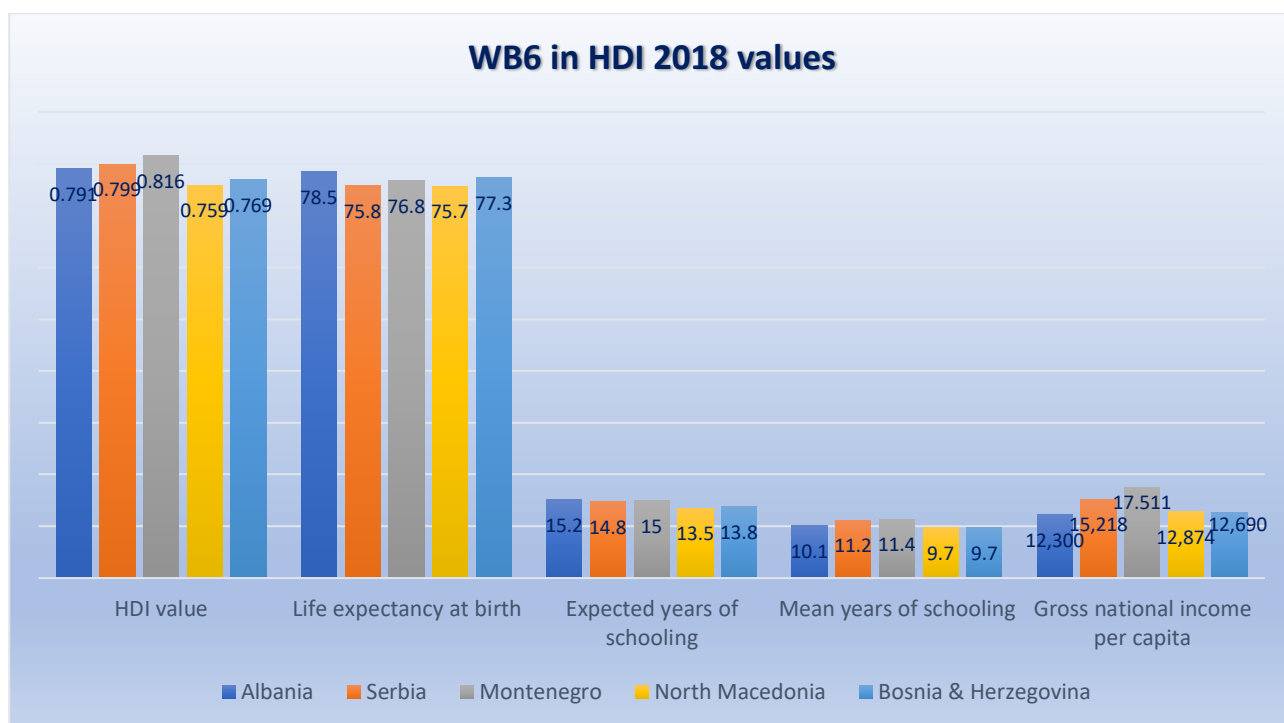


Chart 2

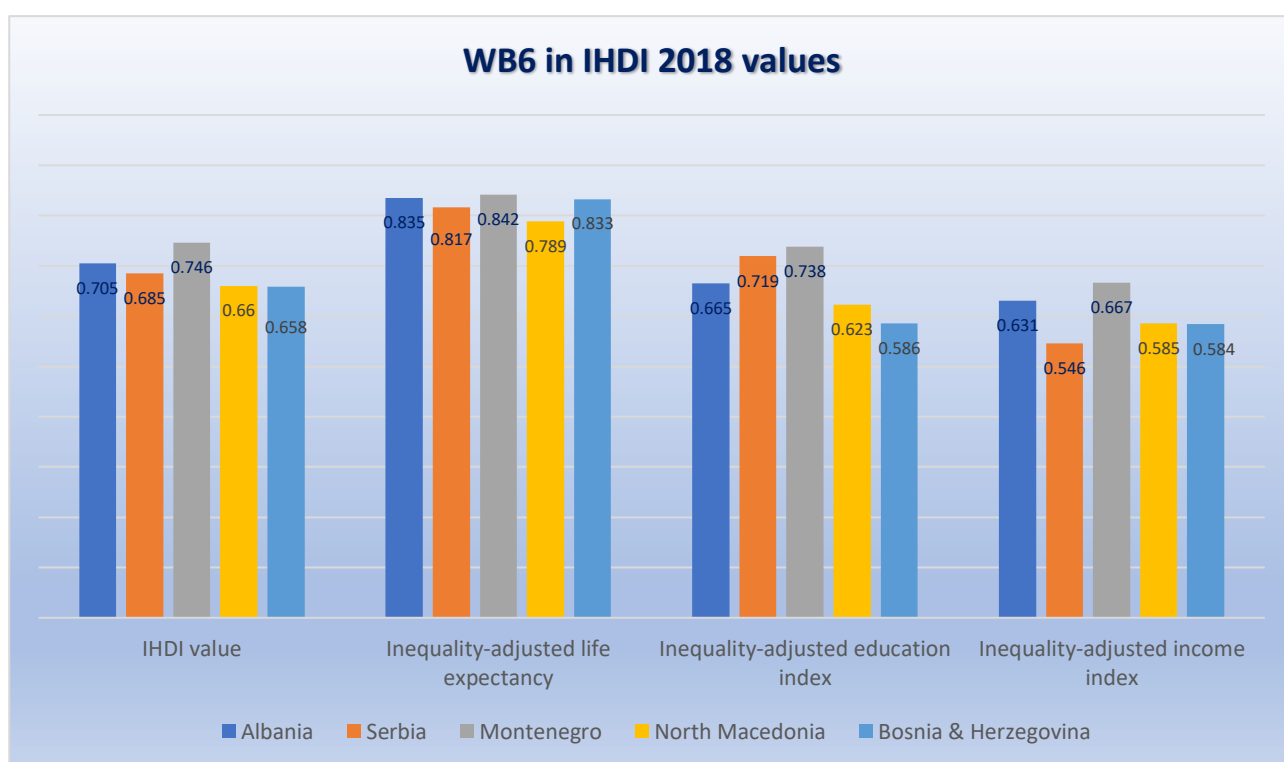


Chart 3

Overall, WB6 countries, when inequality adjusted, show an encouraging condition, even though few cases merit further analyses. In addition, when their inequality-adjusted human development is gender-declined, WB6 highlight scores which represent positive signs but in the meantime are far from complete gender equality. This segment of the HDR appears fundamental for boosting equality of their human development. As a matter of fact, the most gender equal country from the WB6 is Serbia (with a Gender Development Index of 0.976) followed by Albania (0.970) and Montenegro (0.966). These results are in line with those registered by some countries of EU-28. North Macedonia and Bosnia & Herzegovina, with a Gender Development Index of 0.947 and 0.924 respectively, are lagging behind.

A further aspect to mention is the Inequality-Adjusted Income Index, which, with respect to the WB6, depicts a reality where the countries from this region are striving to reach income equality. Only Montenegro and Albania, with respective scores of 0.667 and 0.631, registered inequality income levels near, in some instances in line, with those of the EU member States and other developed countries. Serbia, North Macedonia and Bosnia & Herzegovina – Inequality-Adjusted Income Index of 0.546, 0.585 and 0.584 – must tackle this specific issue, underlined by the HDR as a major generator of inequality in the human development.

## 2. Global Peace Report

The *Global Peace Index* (GPI) is produced annually by the Institute of Economics and Peace (IEP) and it ranks countries on peacefulness levels. The Index has been launched for the first time in 2007. It is the first report that evaluates countries according to their peace status and it is now widely praised as one of the world's leading measure for this subject. The GPI considers three main domains divided in 23 sub-indicators<sup>1</sup>: (i) Level of safety and security inside the society; (ii) Gravity and extent of internal and external conflicts; (iii) Country levels of militarization. The GPI 2019 assessed a total of 163 countries representing 99.7% of world population. Overall global trend highlighted a very feeble improvement of average peace levels – 0.09 – with 86 countries improving and 76 deteriorating their peace score. Despite these facts, since 2008 global peace has lost 3.8% of peacefulness, mostly due to deterioration in *Ongoing conflict* – 8.69% – and *Societal safety and security* – 4.02% –.

The 2019 *Global Peace Index*, for the first time, tries to correlate Positive Peace results with those analyzed by the GPI (“Negative Peace”). Positive peace is the capacity of institutions and societies to build the proper socioeconomic environment for a sustainable peace, whereas Negative Peace is the mere absence of conflict. The report found that where some Positive Peace pillars register improvements or deteriorations, they can cause significant changes GPI scores. Countries with higher levels of Negative Peace and lower levels of Positive Peace – “Positive Peace deficit” – are most likely to be not able to construct a long-lasting peace.

The report found that when Positive Peace pillars reach a “tipping point” they have a considerable impact mainly on two domains of the GPI – *Ongoing conflict* and *Societal safety and security*. For instance, when the PP “Equitable distribution of resources” pillar goes below the 2.7 tipping point, “Safety and Security” starts to improve. For more information of PPI and GPI correlations a tip is to read chapter 4 of the *Global Peace Index 2019*. According to the 2019 GPI, Albania ranks 51<sup>st</sup> – up from 2018 53<sup>rd</sup> position – with a score of 1.821 in a 1-5 scale where 1 is “most peaceful” and 5 is “least peaceful” . In chart 4 Albania overall scores over a 2014-2019 time range is depicted.

---

<sup>1</sup> GPI domains and indicators are: “Ongoing internal and external conflict” domain – number and duration of internal conflict; number of deaths from external organized conflict; number of deaths from internal organized conflict; number, duration and role in external conflict; intensity of organized internal conflict; relations with neighboring countries –; “Social safety and security” domain – level of perceived criminality in society; number of refugees and internally displaced people as a percentage of the population; political instability; political terror scale; impact of terrorism; number of homicides per 100,000 people; level of violent crime; likelihood of violent demonstrations; number of jailed population per 100,000 people; number of internal security officers and police per 100,000 people –; “Militarization” domain – military expenditure as a percentage of GDP; number of armed services personnel per 100,000 people; volume of transfers of major conventional weapons as recipient (imports) per 100,000 people; volume of transfers of major conventional weapons as supplier (exports) per 100,000 people; financial contribution to UN peacekeeping missions; nuclear and heavy weapons capabilities; ease of access to small arms and light weapons –.



Chart 4

Except for some anomalies over this 2014-2019 time-lapse, the path towards peacefulness has been encouraging for Albania. The country obtained ameliorations in every indicator, *Social safety and security* excluded, where it experienced a steady surge until year 2017. As for the comprehensive GPI level, it is possible to notice that overall score underwent a significant deterioration in year 2017, nonetheless since year 2014 an improvement of -0.118 has been registered. Since 2014 it has gained 14 positions in the ranking, witnessing that the country has made important steps.

Regional average score – which include *European Economic Area* and *European Free Trade Area* countries plus the WB6 and Turkey – is 1.666. Albania is below European average, but it must be acknowledged that Europe is the most peaceful area of the world. Out of the countries of our cluster Albania is outperformed only by Serbia which gained 5 positions since 2018.

According to the 2019 report, for Albania, economic direct and indirect costs of violence as a percentage of GDP has been 6%: in this category it ranks 94<sup>th</sup>, where Syria is the most economically afflicted country by violence.

As above-mentioned, Serbia is the best performing from the WB6, ranking 50<sup>th</sup> with an overall GPI score of 1.812. North Macedonia (gaining 23 positions) and Montenegro stand close at position 65<sup>th</sup> and 67<sup>th</sup> with respective comprehensive scores of 1.933 and 1.939. Bosnia & Herzegovina ranks 81<sup>st</sup> with a GPI score of 2.019 and Kosovo 86<sup>th</sup> (GPI score 2.049). Except for Montenegro, the WB6 registered relevant improvements of their peace levels. In chart 5 and 6 a time analysis (year 2014-2019) for the remaining WB6 is provided.

## WB6 IN THE GLOBAL PEACE INDEX 2014-2019

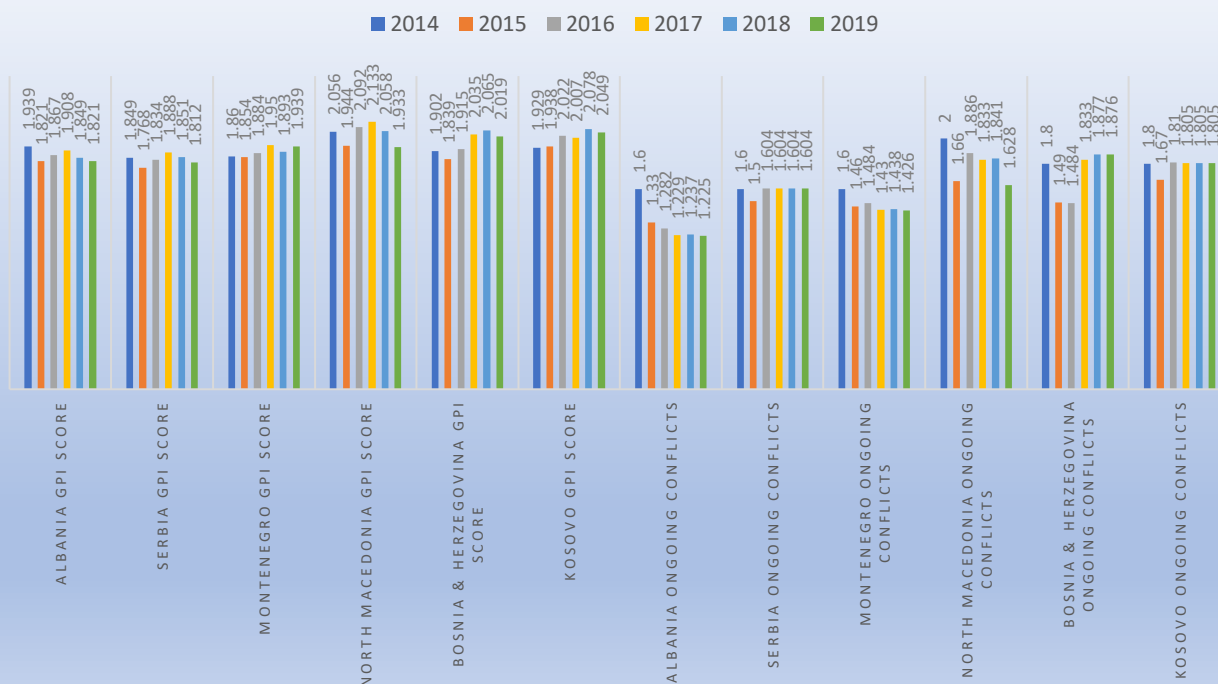


Chart 5

## WB6 IN THE GLOBAL PEACE INDEX 2014-2019

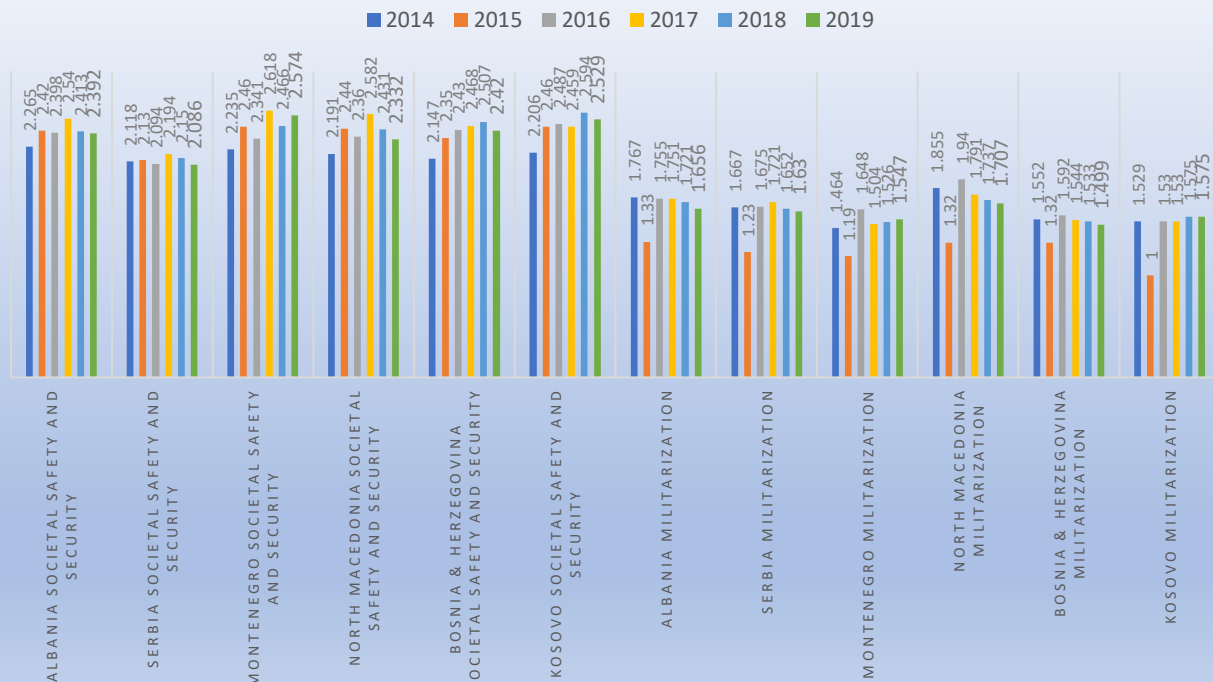


Chart 6

According to data extrapolated from the *Global Peace Index 2019*, the *Western Balkans' Six* improved their overall peace levels with one exception represented by Montenegro. However, if we take as a sample the 2014-2019 timeframe, only Albania (-0.118), Serbia (-0.037) and North Macedonia (-0.123) registered an amelioration of their peace. Montenegro (+0.079), Bosnia & Herzegovina (+0.117) and Kosovo (+0.12) experienced a deterioration. The region, despite some feeble improvements in the

“Ongoing conflict” and “Militarization” domains, is striving to reach acceptable levels in the “Societal safety and security” domain where the majority of the WB6 underwent serious declines.

### **3. Positive Peace Index**

Positive Peace is the attitude of a specific societal framework, composed by civil society, governments and private sector, favoring the embedment of positive processes connected to peace within its own system. This facet let peace to be effective in the long-term, providing to the whole society the proper tools to achieve a prosperous and equitable self-sustainability. Positive Peace is the keystone to economic thriving, social inclusion, resilience, climate adaptability and strong institutions. The concept is described as “peace with justice for all”.

The Positive Peace Report, issued yearly by the Institute of Economic and Peace, has the goal to evaluate these peace-implanting processes through the assessment of 8 pillars: (i) Well-functioning government; (ii) Sound business environment; (iii) Equitable distribution of resources; (iv) Acceptance of the rights of the others; (v) Good relations with neighbors; (vi) Free flow of information; (vii) High levels of human capital; (viii) Low levels of corruption.

The main findings of the 2018 report highlighted interesting facts. As a matter of example, in 2017 the impact of dealing with consequences of violence caused a GDP growth loss of 12.4% globally (\$14 trillion). It is estimated that for every 1% increase in Positive Peace, a 3% growth is registered for real GDP. In general terms, Positive Peace has been improving since 2005, and 110 countries – 67% – recorded an amelioration in the Positive Peace Index (PPI). Improvements took place in every Positive Peace Pillar except for “Low levels of corruption”. Geographically speaking, it is possible to see unexpected trends in strong democracies as those of Europe – where 22 out of 36 countries underwent deteriorations in PPI from 2014 to 2017– or the United States.

Afterwards, an analysis of Albania in 2018 PPI is presented, providing a graphical representation of countries’ changes compared to the 2017 report. Once Albania status within the index is explained, the analysis of Positive Peace levels of the remaining WB6 will be presented as well.

The Positive Peace Report 2017 highlighted surprising trends with regard to Albania, which since 2005 has been the best performing country, registering a 9% improve in its overall PPI score and bouncing from position 62<sup>nd</sup> (2016) to position 53<sup>rd</sup> (2017).

According to Positive Peace Report 2018, Albania ranks 53<sup>rd</sup> showing no improvement regarding its position. Nonetheless, ameliorations concerning overall score – which has passed from 2.78 to 2.72 – have been registered.

Chart 7 shows the score for each pillar from 2016 to 2018, supporting us in better assessing Albania profile under a time criterion. The same will be done in the following lines with reference to the other WB6 countries assessed by IEP.

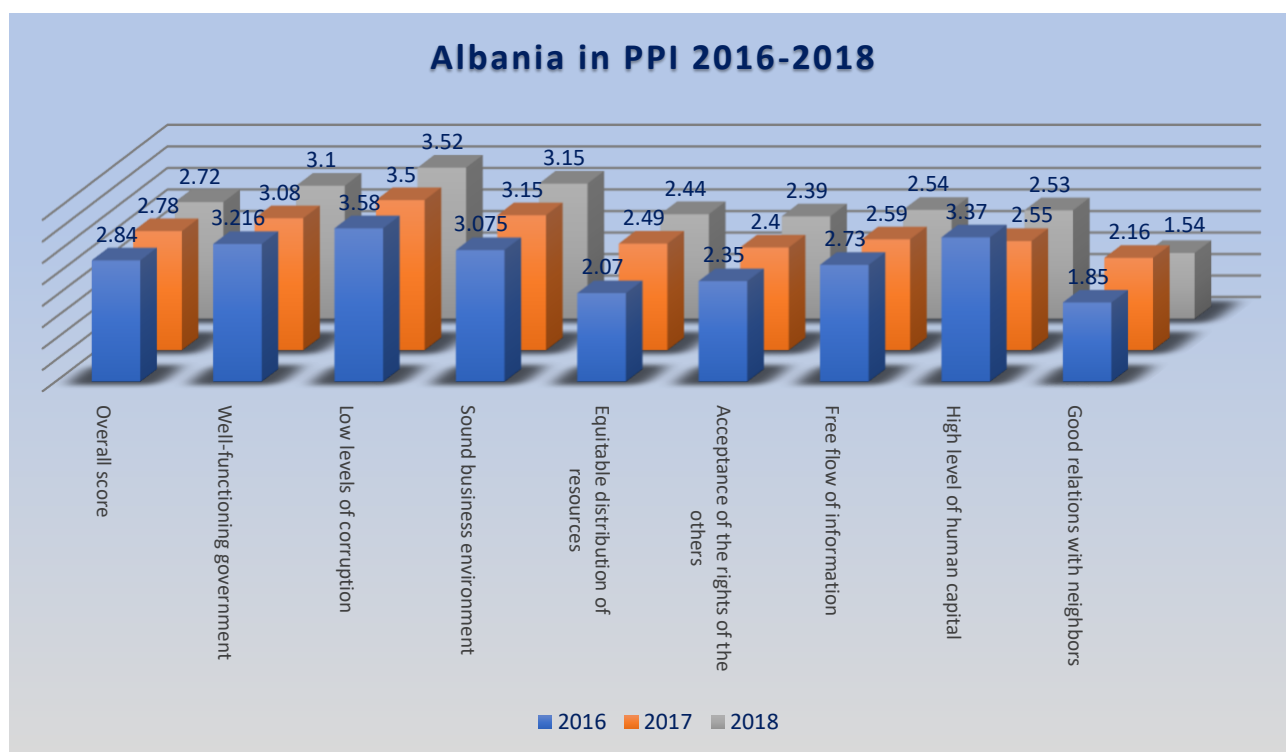


Chart 7

As assumable looking at scores from the 2016 – 2018 time frame, Albania showed a swinging behavior concerning the majority of the Positive Peace pillars which, in these 3-year lapse, registered little changes. Anyway, three pillars catch our attention: “Free flow of information”, “High level of human capital” and “Good relations with neighbors”. “Free flow of information” is described as *the independence and the freedom for a media outlet to cover every public and society aspect in order to offer an open information to citizen and civil society*. Evidence from this indicator – 2.54 score in 2018, compared to 2.59 (2017) and 2.74 (2016) – are aggravating country’s issues connected to this field. Improvements in “Very high human capital” – 2.53 in 2018 compared to the 3.37 of 2016 – could subtend a better access to quality and universal education and knowledge, implying an amelioration of the country’s socioeconomic substratum. Lastly, “Good relations with neighbours” – 2018-registered score is 1.54 against 2.16 (2017) – confirms the country achievements in strengthening its relations, mainly with the other WB6 and EU countries, through peaceful means.

Concluding, according to the PPI 2018, it is possible to assume that Albania approaching process to a highly peaceful condition is proceeding at a slow but steady pace.

Albania is registering constant improvements in nearly any of the 8 Pillars of Positive Peace – exceptions are constituted by “Equitable distribution of resources”, “Sound business environment” and “Acceptance of the rights of the others” – as well as in its overall score and status.

With chart 8 and 9 the path undertaken by the remaining WB6 is going to be delineated in order to check if the constancy shown by Albania is confirmed by its Balkan’s neighbors. Scores comparison will support us in framing a regional picture and disclose any score irregularity. Again, a 2016-2018 time-lapse is reported.

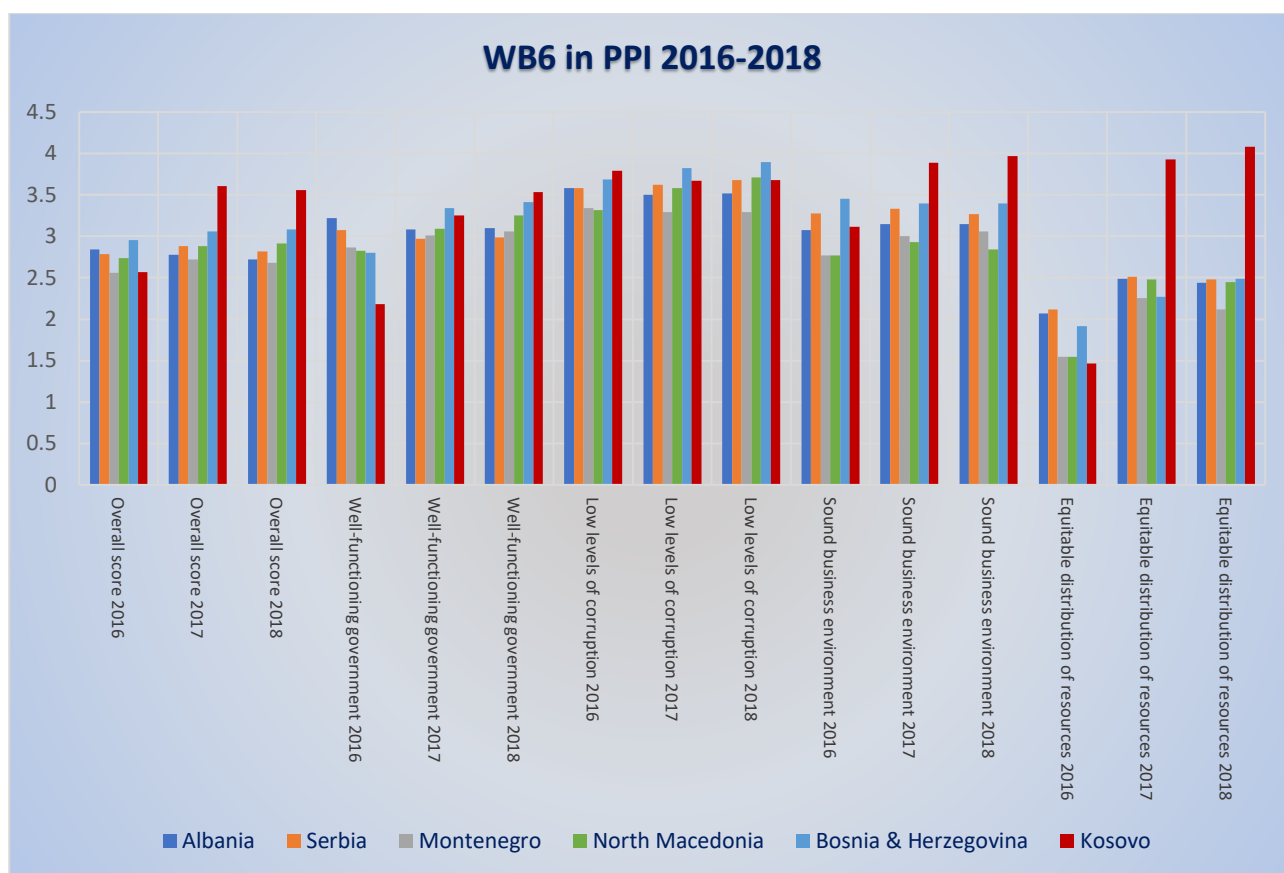


Chart 8

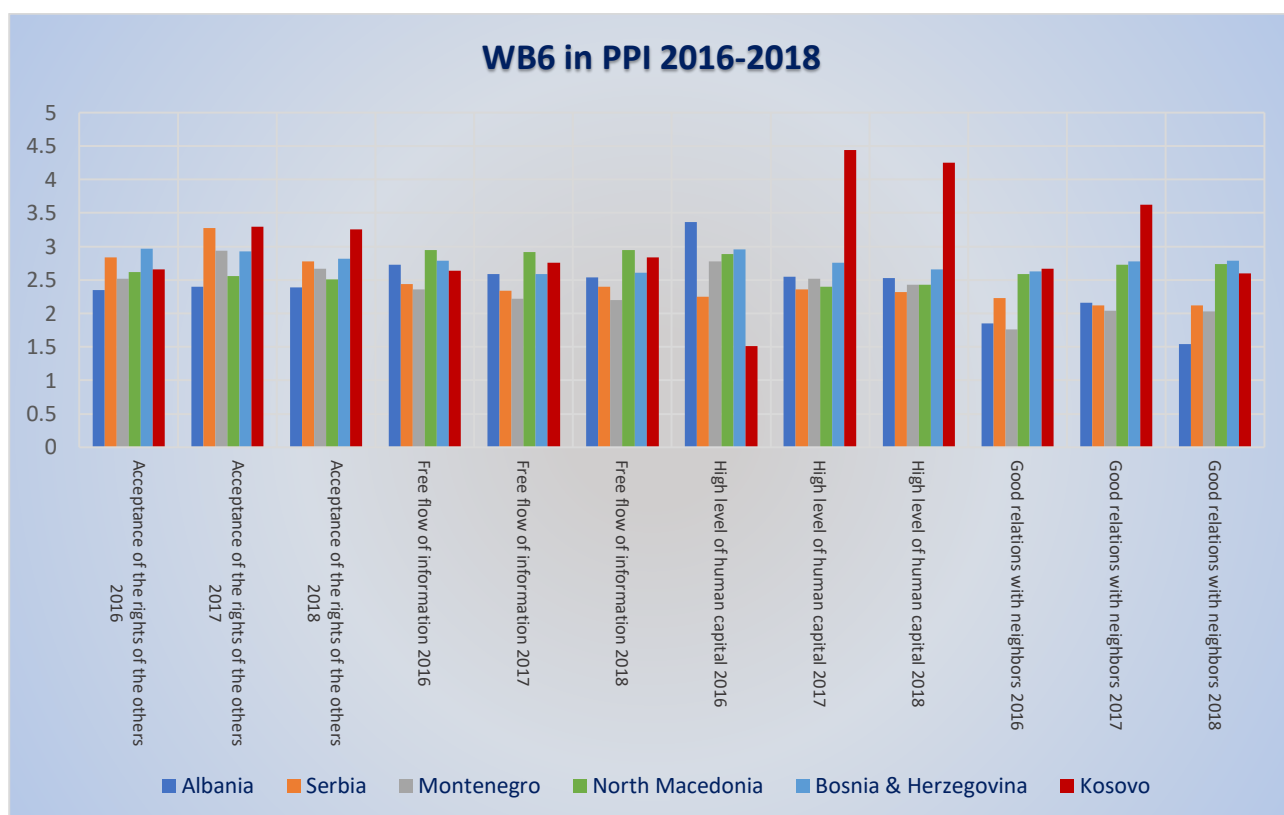


Chart 9

Taken this 3-year lapse into account, it is possible to state that in the very recent period no considerable improvements have been made by the WB6 with regard to their Positive Peace overall

score. On the contrary from 2016 to 2018 worsening in the PPI has been registered for nearly any country analyzed by this report. Specifically: Serbia (ranking 58<sup>th</sup>) registered in 2018 a 2.82 overall score, against 2.783 of year 2016; Montenegro (50<sup>th</sup>) disclosed a year 2018 2.68 score while in 2016 it was 2.558; North Macedonia (59<sup>th</sup>) too registered an aggravation of its Positive Peace, decreasing its 2016 score from 2.734 to year 2018 2.91; Bosnia & Herzegovina (78<sup>th</sup>), which registered a 2016 score of 2.955 against the 3.08, and Kosovo (119<sup>th</sup>) – scoring in 2016 an overall 2.564 and in 2018 3.56 – make no exception.

In this scenario, the most worrying pillars appear to be “Low levels of corruption”, “Well-functioning government” and “Equitable distribution of resources” which registered a broad and shared deterioration. On the other hand, WB6 highlighted steady improvements with regard to “Free flow of information”, and this is encouraging if we consider the regional long-time issues with press freedom.

Considering the WB6 evolution within the Positive Peace perspective, it is important to observe that Albania, in the 2016-2018 time-cycle, is the only country that registered a real Positive Peace improvement, and if the trend for the next year is confirmed, it could outpace Montenegro as the most peaceful WB6 country.

## 4. World Bank's Human Capital Index

The *Human Capital Index* holds the objective of assessing “human productivity as a result of a good skill and knowledge management through access to education and healthy lives”. Investment in people – as a driver to economic expansion and social improvement – is the pillar on which the *World Bank* bases the prosperity of a country. The report highlights the importance for developing countries to invest in people abilities to perform tasks that require specific cognitive and analytical skills. On one hand, the competitive struggle to create an effective environment for the establishment of a national labor market with high-skilled workers requires significant investments from national governments; on the other hand, the capacity to fully employ human capital can be the driver for sustainable growth and poverty and inequalities reduction. Investments in the youngest generations, in their education and health, are the basis on which to ground the human capital process. Although this long-term initiative not always fascinates political actors – whose actions are targeted on short-term advantages – it is deemed as the most effective way to overcome differences in wealth distribution.

The *2018 Human Capital Index*<sup>2</sup> is the first effort in this regard made by the *World Bank*. The HCI focuses its evaluation on three main components:

- I. **Survival:** this measure intends to assess the possibility for children to pass the year-5 threshold and to start the human capital accumulation process – which is the beginning of the education career;

---

<sup>2</sup> The 2018 Human Capital Index has been presented in the annual meeting of the International Monetary Fund and the World Bank Group occurred in Bali (Indonesia) to bring the attention of the international community to this new instrument.

- II. **Expected years of learning-adjusted school:** this indicator mixes the expected years of schooling at age of 18 with a quality component which comes from a comparison of how much children learn in school and the relative attainment in international student achievement tests – *Harmonized learning outcome*<sup>3</sup> –;
- III. **Health:** it is composed of two main indicators which are “rate of stunting of children under age 5” and “adult survival rate” – proportion of 15-year old persons who survive until age of 60 –.

These health and education indicators merge in what represents a human capital score which ranges from 0 to 1, where 1 represents a child expected to reach full health and achieve a complete education career and, as a consequence, any result below that score means that a full human capital capacity has not been obtained.

To begin, as the *2018 Human Capital Index* is in its first version, the analysis will not involve a time investigation and indeed only scores will figure in the forthcoming discussion.

According to the index, Albania ranks in position 56<sup>th</sup>, with a score of 0.62 (“lower bound” at 0.61 and “upper bound”<sup>4</sup> at 0.63). In chart 10 a comparison between Albania and the rest of the WB6 is provided. The graph clusters the entirety of the countries and the respective overall scores in order to make the reading more accessible, partly because indicators assessed by the report are not constituted by a common yardstick. Chart 11 shows WB6 indicators composing the three main domains of the HCI.

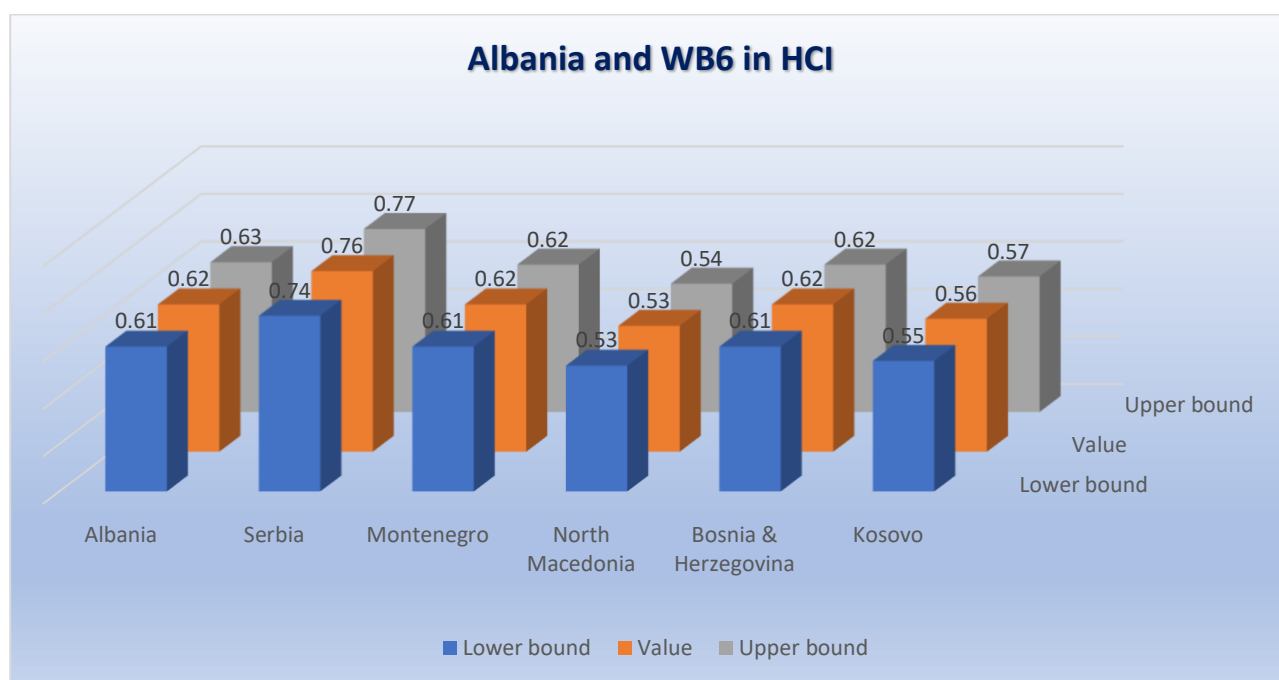


Chart 10

<sup>3</sup> The “Harmonized learning outcome” is produced comparing and converting factors of a series of regional and international standardized achievement tests like PISA, TIMSS, PASEC, PIRLS, LLECE and SACMEQ.

<sup>4</sup> The lower and upper bound are two indicators referring to the error range that could occur according to data available. This means that any country measured value could swing – given the availability and accuracy of a full set of data – between a lower and a higher score.

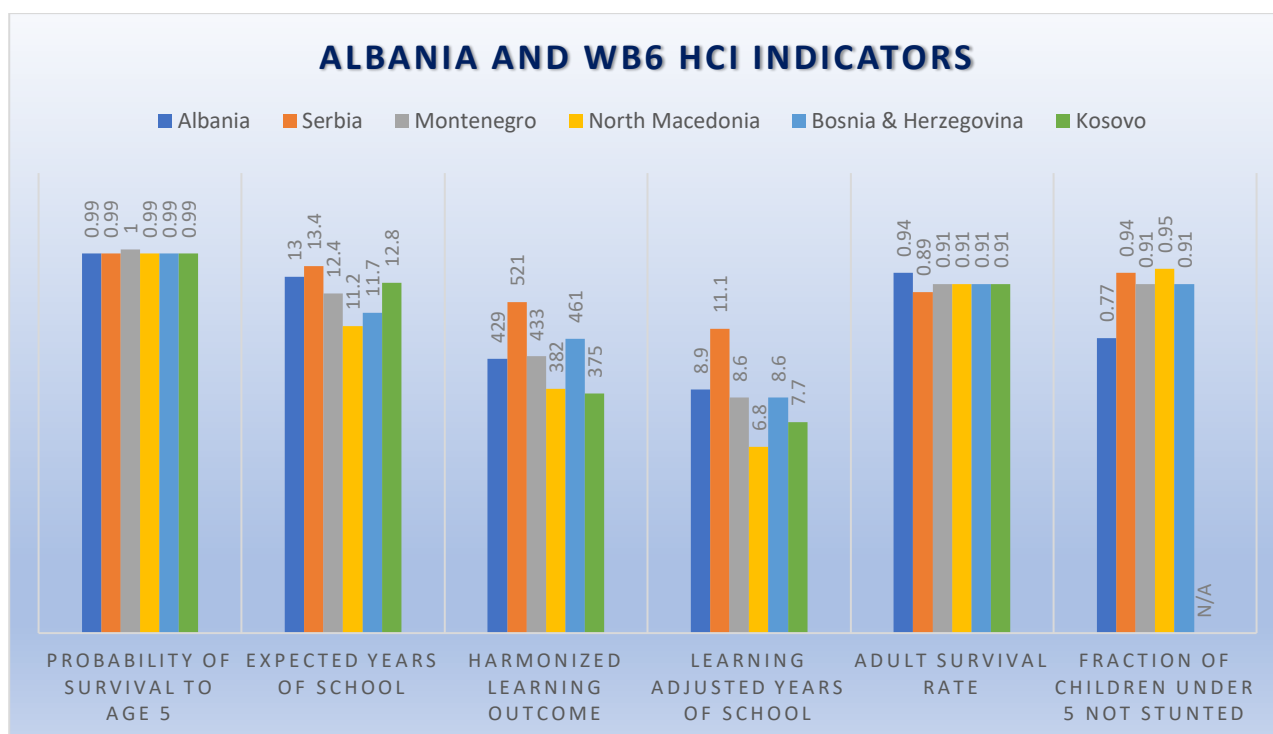


Chart 11 [“Probability of survival to age 5”, “Adult survival rate” and “Fraction of children under 5 not stunted” are calculated on a 0-1 scale; “Expected years of school” and “Learning adjusted years of school” are calculated on a 0-14 scale; “Harmonized learning outcome” is based on a 300-600 scale.]

According to the 2018 *Human Capital Index*, Serbia (ranking 27<sup>th</sup>) is the best country of our group. Albania shares its position with Montenegro and Bosnia & Herzegovina (56<sup>th</sup>). North Macedonia (88<sup>th</sup>) and Kosovo (80<sup>th</sup>) are the worst performing entities among the WB6.

Descending in the realm of indicators covered by the index, following results are noteworthy:

- i. Albania shows “Fraction of children under 5 not stunted” – 0.77 – below the levels of the other WB6 – Serbia, Montenegro and Bosnia & Herzegovina are above the 0.90 threshold –, confirming its difficulties with food security and nutrition;
- ii. Concerning health indicators, the WB6 disclosed encouraging scores in the “Probability of survival to age 5” and “Adult survival rate”, which are above the levels of many upper-middle income, and in some cases high-income, countries;
- iii. Albania, with regard to education indicators – in which scores 13 for “Expected years of schooling” and 8.9 “Learning adjusted years of schooling” – is second only to Serbia. Differences between “Expected years at school” and effective “Learning adjusted years of schooling” shed a light on quality of education in the entire Balkan region. Kosovo and North Macedonia detain a severe education gap that needs a comprehensive and effective education policy;
- iv. Serbia performed quite well in the “Harmonization learning outcome” registering a 521 score which is above levels obtained by countries like Portugal, Italy or New Zealand; except for Serbia, none of the WB6 registered HLO scores in line with those of the EU-28.
- v. Again, Serbia shows encouraging values (11) with regard to the “Learning-adjusted years of school”<sup>5</sup> and it is above the WB6 average – Albania, for instance, is the second-best performing country and registered an 8.9.

The *Human Capital Index* gives us a picture of the WB6 that shows how these countries are on the right path to involve in their transition process the human capital. The 2019 report will bring the possibility to measure whether this path is confirmed, and human capital is the basis on which building thriving economies and societies in the Balkans.

<sup>5</sup> The “Learning-adjusted years of schooling” is a new metric methodology trying to conjugate the quantity of time spent in school with the quality of teaching, so to have an indicator explaining how many years the student has spent effectively learning.

## 5. FAO's The State of Food Security and Nutrition in the World

Sustainable Development Goals include the Goal 2 *Zero Hunger* which intends to end hunger in all its forms by 2030, reaching universal food security, improving nutrition and providing agriculture with sustainability. According to FAO's *The State of Food Security and Nutrition in the World*, several obstacles have been individuated along the way. World population suffering from hunger are, in absolute number and after a decade of steady decrease, on the rise (820 million people): hunger is rising in regions of Africa, LAC (Latin America and Caribbean) and Western Asia. In particular, hunger is increasing in countries where economic growth is stagnating – many of them are not low-income countries but rather middle-income countries which rely on import/export of primary commodities –. Economic recovery must be the first step to address food security and nutrition issues. Besides poor economic performances, conflicts and climate change heavily contribute on the global state of food security and nutrition.

According to *The State of Food Security and Nutrition in the World 2019*, prevalence of undernourishment in the total population of Albania decreased to 6.2% (year 2016-2018) down from 10.9% of the 2004-2006 biennium. These figures, even though representing a clear improvement, show that the country is still lagging behind most of the actors of the region (Southern Europe), where Albania is the worst performer: for instance, Serbia, which places itself second for prevalence of undernourishment in the total population, recorded a 5.7%. In chart 12 Albania food security and nutrition profile is provided.

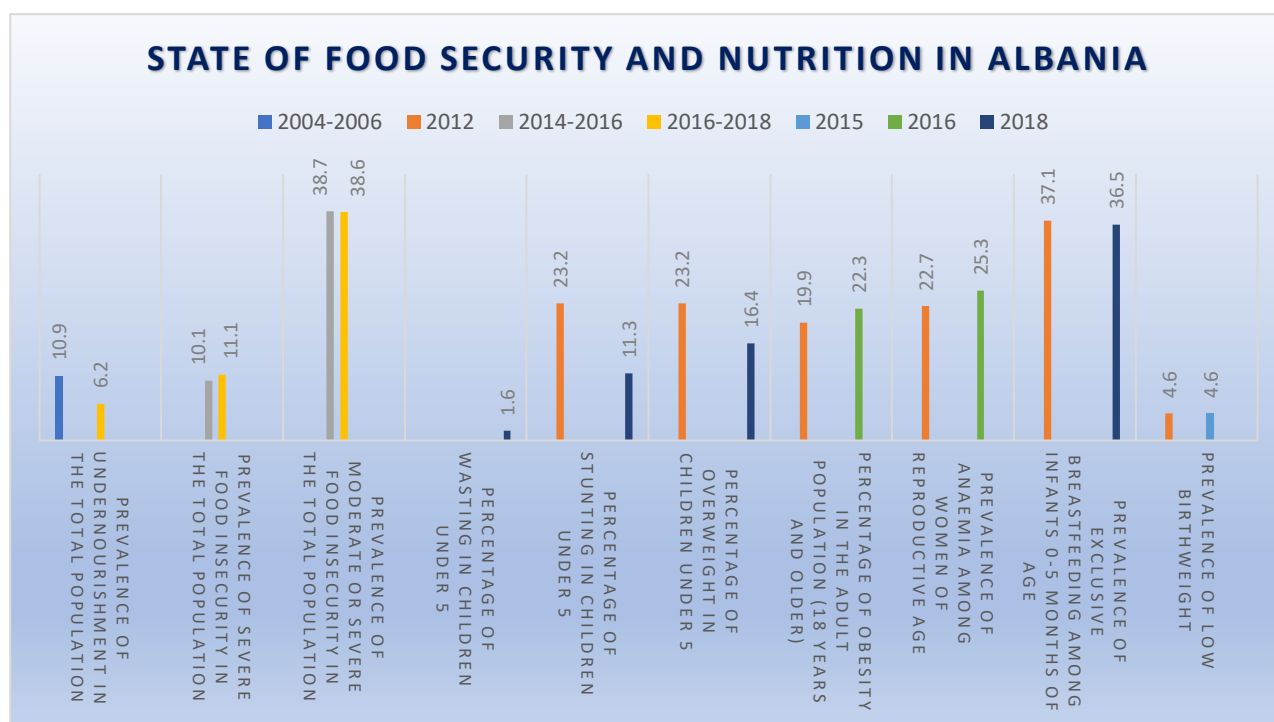


Chart 12

According to data retrieved from FAO's 2019 report, a few facts are worthy of consideration. Prevalence of severe food insecurity increased from the 10.1% of 2014-2016 to the 11.1% of 2016-2018; the prevalence of the total population that is moderately or severely food insecure has diminished only by 0.1% – to 38.6% (year 2016-2018) from 38.7% (biennium 2014-2016) –. Significant improvements have been registered concerning the “Percentage of stunting in children under 5” and “Percentage of overweight in children under 5”. Despite some encouraging ameliorations, particularly in children-dedicated indicators, Albania is still striving to reach food security levels in line with those expressed by the remaining WB6 and the southern Europe region.

Out of the cluster of our analysis, which does not include Kosovo, only Montenegro and Bosnia & Herzegovina, with a percentage less than 2.5%, experienced “Prevalence of undernourishment in the total population” levels in line with those of the best southern European countries, even though, if

“Prevalence of moderate or severe food insecurity” is considered, only Bosnia & Herzegovina, with 9.2%, comes close to levels disclosed by high-income European countries. In chart 13 Only the most recent data are treated with regard to the WB6, still, a comparison between old and new data may arise in the chart explanation.

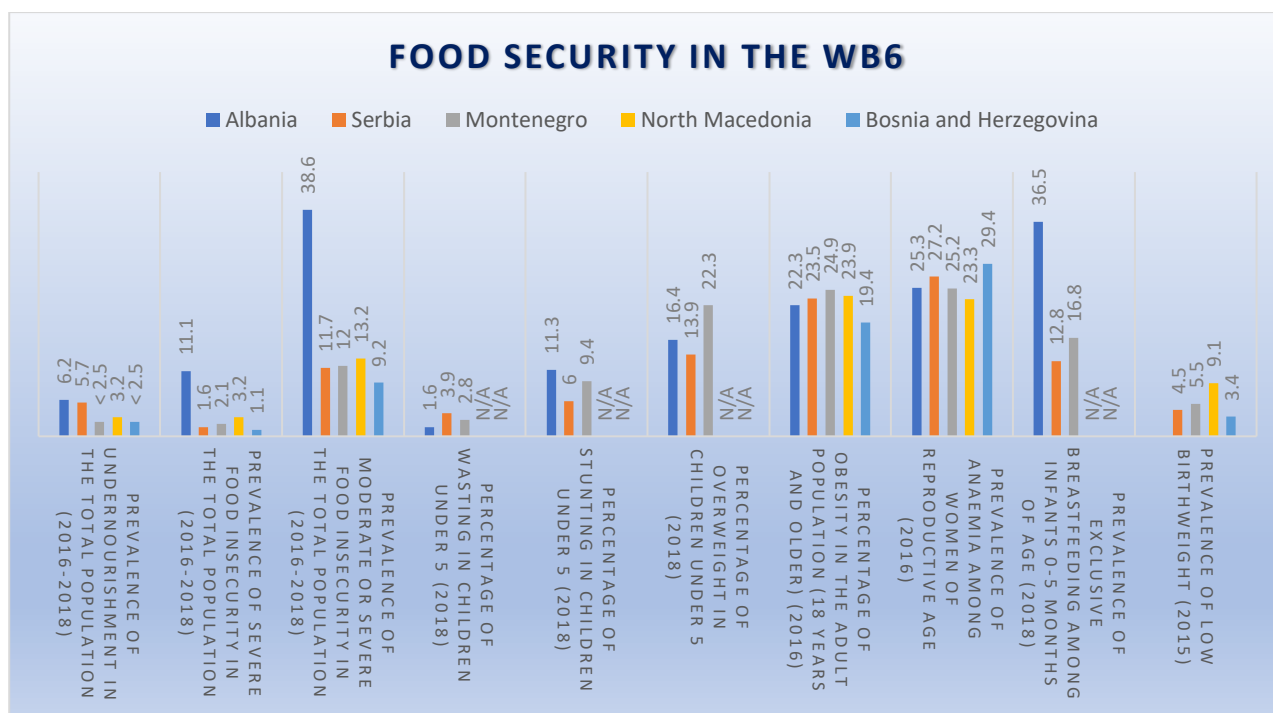


Chart 13

As above mentioned, Bosnia & Herzegovina reached a bearable level of “prevalence of moderate or severe food insecurity”: as a matter of fact, 9.2% is the same score recorded by United States and is below the levels of countries such as Bulgaria, Latvia or Lithuania. Bosnia & Herzegovina results as the most food secure country out of the WB6.

Serbia, which has a “prevalence of moderate or severe food security” of 11.7%, is the only country from the group experiencing a decay in its food security since the biennium 2014-2016 when the percentage was at 10.6. In this area, Bosnia & Herzegovina, Montenegro and North Macedonia, they all have had an improvement of their “moderate/severe food insecurity” of nearly 1% – -0.6%, -1% and -1.1% respectively –.

“Percentage of obesity in the adult population” increased for any of the WB6, in this case following what appears to be a global trend involving least developed countries too.

WB6 are on the way to approach food security and nutrition levels in line with those of the EU-28, and despite some criticalities, several indicators demonstrate their vicinity to European standards. The same discourse could not be done for Albania, which is clearly lagging behind and need an effective policy for providing its population a more food secure condition.

## 6. Freedom in the World

Lately world democracies have been hit by a nationalism and supremacy surge that is appealing to different strata of society. Undoubtedly, this is partly due to the fact that economic recipes carried by the international communities have not been effective in reducing inequalities within work and social classes and the last big economic crisis harshened the condition of many people across the world. Irrational feelings are paving the way to the rise of political leaders inclined to act and speak against some of the pillars on which democracy is founded (e.g. civil liberties, respect of human rights and the rights of minorities, press freedom, independence of the Judiciary from the polity etc.)

The Freedom House's "Freedom in the World 2019"<sup>6</sup> highlighted, and in some ways confirmed, worrying trends related to the soundness of global democracy. "Democracy is in retreat" and according to Freedom House there are some unchallenging assumptions which would reinforce this thesis. Comparing 2008 democracy levels from those of year 2018 the following picture is given: in 2008 a 46.1% of the countries evaluated was considered "free", while the "not-free" countries amounted to a 21.8%; in 2018 these ratios were respectively 44.1% and 25.6%. The "Freedom in the World" since 2005 is registering a stable decline in civil liberties and political rights, this means a 13-year path of democracies' deterioration. Of particular interest is the fact that countries which are encountering major difficulties in maintaining partly-free or free statuses are those that became democracies in the last part of 20<sup>th</sup> century. Their not-yet-rooted political structures are striving to reach respectable levels in two main topics: *Rule of law* and *Functioning of government*. Other sub-categories recently put at risk are *Electoral process* and *Freedom of expression*.

Basing our analysis on the findings by Freedom House, an in-depth look at Albania and WB6 profiles will be provided together with an analysis of the evolution of these countries over time.

In "Freedom in the World 2018", data referring to year 2017, Albania ranked 68<sup>th</sup> with an overall score of 68/100 – 40/60 in *Civil liberties* and 28/40 in *Political rights* – and a "Freedom rating" of 3/7.

In this year report Albania obtained no change in position (68<sup>th</sup>) and in *Freedom rating* (3/7). No variation has been detected in the two domains "Political rights" and "Civil liberties", both of which have registered a 3/7 score.

A time comparison from year 2016 to year 2018 is shown (Chart 14).

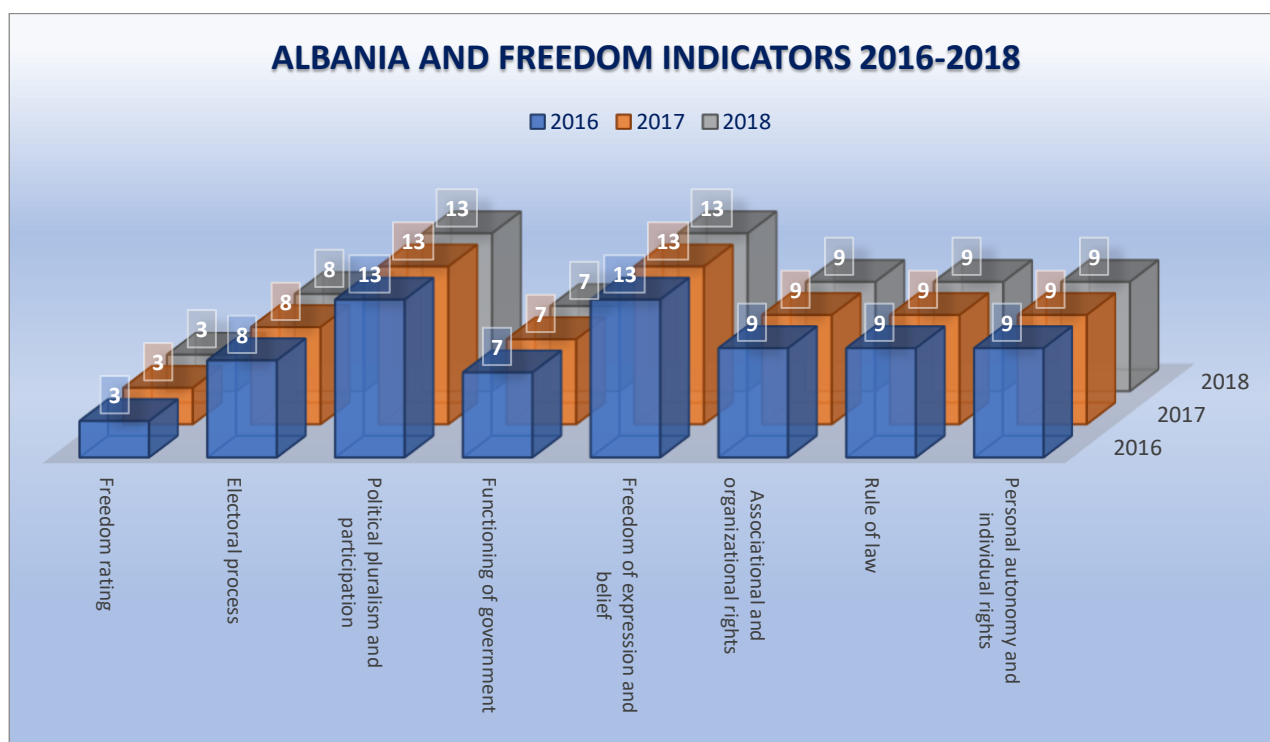


Chart 14

As hinted by chart 14, Albania registered no changes with regard to its freedom domains and although an amelioration of some indicators is essential and desirable – particularly for "Electoral process", "Functioning of government" and "Rule of law" –, the fact that globally freedom and democracy are under attack by illiberal tendencies lead us to believe that Albania stalemate is not as negative as one would think in other circumstances.

Albania status within the Freedom in the World Index has remained stable over the time-lapse taken into account by our analysis. It is now time to see whether it is possible to make the same statement for the other countries covered by this report. Chart 15 and 16 – this latter showing scores for the two main

<sup>6</sup> The "Freedom in the World 2019" assessed 2018 democracy levels of 195 countries and 14 territories. Every country is ranked according to a 1-7 score, where 1 represents a "most free" and 7 a "least free" condition.

domains – will assist us in depicting WB6 profiles from 2016 to 2018 in order to assess their performances in some delicate topics for the region. Please note that, in order to simplify the chart, only information related to the overall score and the two main domains will be represented; however, a description of significant changes of indicators and sub-indicators' scores will be provided.

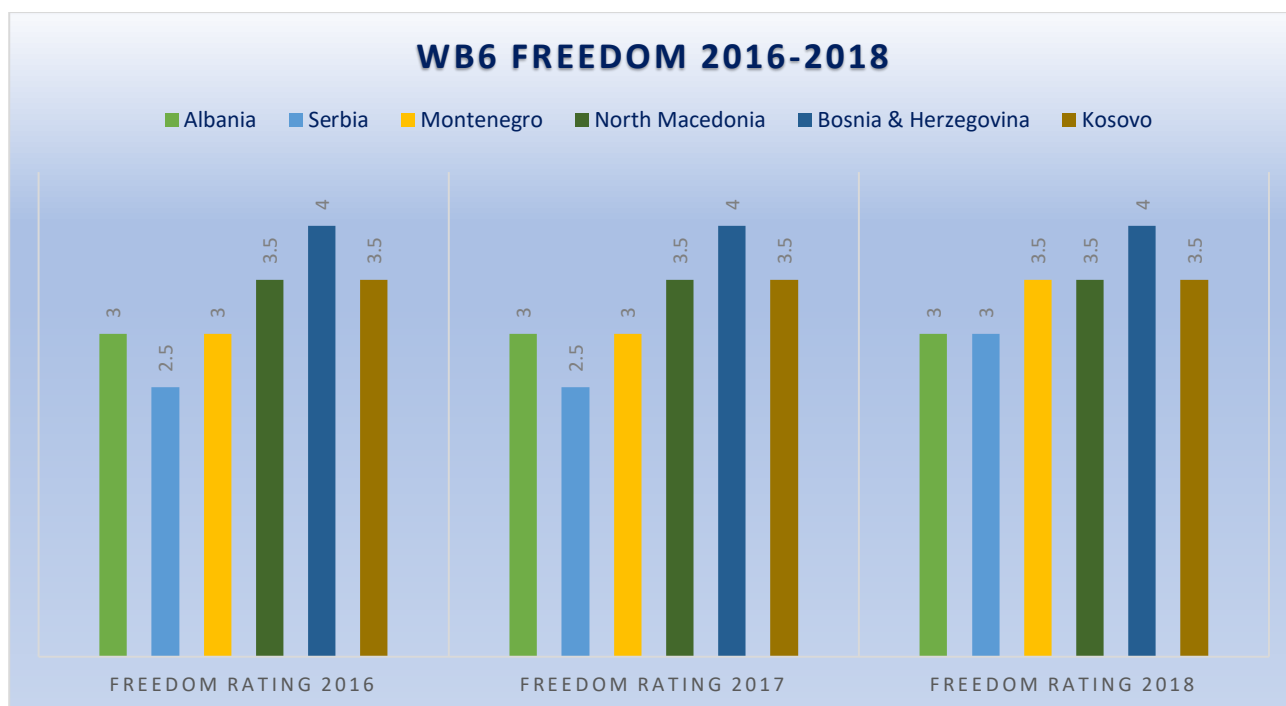


Chart 15

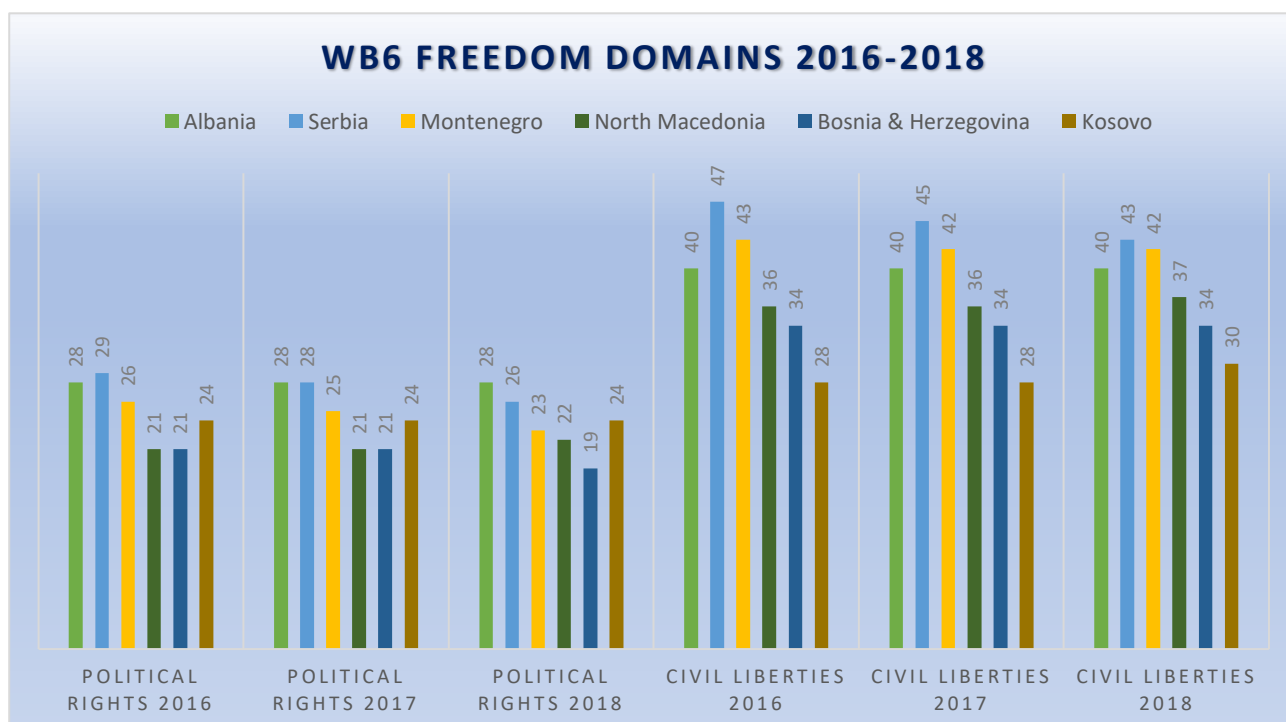


Chart 16 [0/40-0/60 ranges]

(i) **Serbia**: it registered a decay in the aggregated score which in 2016 was 73/100 and currently (2018) is 67/100. For this reason, the country is no more “free” but “partly free”. Its *Freedom rating* changed from previous 2.5 to 3. This fact is due to a deterioration of both the “Political rights” and “Civil liberties” domains which passed from 29 (2016) to 26 (2018) and from 47 (2016) to 43 (2018) respectively;

(ii) **Montenegro**: its *Aggregated Freedom score* in 2016 was 69/100. According to “Freedom in the World 2019” is now 65/100. Montenegro worsened its “Political rights” condition: 23/40 in 2018 against its previous 26/40;

(iii) **North Macedonia**: it highlighted no change in its freedom rating (3.5). Nonetheless, its aggregated score slightly improved from 57/100 (2016) to 59/100 (2018). This positive change is the consequence of amelioration in both “Civil liberties” – 36/60 in 2016 up to 37/60 in 2018 – and “Political rights” – from 21/40 (2016) to 22/40 (2018) – ;

(iv) **Bosnia & Herzegovina**: underwent no modifications in its freedom rating (4), but registered an aggravation of the aggregated score (53/100 in 2018, against the 55/100 of previous years) due to a deterioration of the “Political rights” domain which passed from the 21/40 of year 2016 to the 19/40 of year 2018;

(v) **Kosovo**: is encouraging its improvement of the *Aggregate Freedom score* – which in 2016 and 2017 settled on 52/100 and in 2018 on 54/100. The reasons for this change are the achievements in “Civil liberties” – registered score for 2018 is 30/60, whereas in 2016 was 28/60 –.

According to Freedom House’s reports, none of the WB6 has registered improvement in its freedom rating – remembering that 1 means “most free” and 7 “least free” – , on the contrary, a slight decay in the freedom rating has been revealed for Montenegro and Serbia. Albania, with a 68/100 aggregate score is the “most free” country out of the Western Balkans six.

## 7. Religious Freedom

Religious freedom, according to the article 18 of the *Universal Declaration of Human Rights*, is the “right to freedom of thought, conscience and religion; this right includes freedom to change religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance”. Freedom of religion or cult, everywhere, has always been hampered and religious minorities persecuted on the basis of their creed by repressive nationalist regimes and conservative ideologies based on the thesis that freedom of worship endangers national cohesion and state power legitimacy.

The *A Closer Look of How Religious Restrictions Have Risen Worldwide* is a report published by the *Pew Research Center* – a non-partisan fact-tank based in Washington D.C. – which assesses worldwide religious freedom trends, ranking countries according to the level of government restrictions on religious freedom and to the extent of social hostilities that prevents a peaceful coexistence between religious groups. According to the report in the period from 2007 to 2017 these two areas have worsened. On the one hand, if in 2007 there were 40 countries imposing religious restrictions, in 2017 the number has risen to 52 (26% of countries evaluated). On the other hand, countries where people are suffering violent acts involving religion have passed from 39 to 56 (28% of countries assessed). Globally, religious freedom restrictions are the consequence of a worsening in the following indicators composing the *Government Restrictions Index*: “Laws and policies”, “Favoritism for specific religious groups” pursued by governments, “Limits on religious activities” and “Harassment of religious groups”. The only indicator showing an amelioration is “Interreligious tension and violence” from the *Social Hostilities Index*, while the others – “Individual/social group harassment”, “Religious violence by organized groups” and “Hostilities related to religious norms” – they all worsened.

Disaggregating restrictions and harassment according to religion affiliation, it appears that groups suffering widespread violence are Christians – harassed in a total of 143 countries in 2017 – and Muslims – targeted in 140 countries –. Jews have been harassed in 87 countries and Hindu and Buddhist in 23 and 19 respectively.

According to the 2019 report – assessing scores for 2017 – Albania is positioning itself amongst the countries with low levels of governmental restrictions on religions and social hostilities. These are the countries which scored between 0 and 2.3 and between 0 and 1.4 respectively.



Chart 17

Despite being in the “low” countries in both the indexes, Albania recorded a significant deterioration in the *Government Restrictions Index* meaning that political environment has exacerbated religious freedoms likely due to the risks connected to terrorism and radicalizations. In the *Social Hostility Index* Albania is among the 25 best performing countries. Considering global trends, these results do look like a considerable achievement.

In the following lines an in-depth look is given with regard to policies and legislative initiatives undertaken in the country to pursue religious freedom<sup>7</sup>.

According to Albanian constitution, freedom of conscience and religion is safeguarded, the state is neutral in the subject and there is no official religion. Equity is guaranteed to all religious groups. Government, according to law, does provide financial assistance to faith communities in the country. Property on religious buildings is generally accorded and legalized in some cases with some difficulties and with opposite ruling of the Constitutional Court. The *VUSH* – Evangelical Brotherhood of Albania –, denounced the difficulties encountered in buying land rights. The Bektashi and the *AIC* – Albanian Islamic Community – reported issues connected to the defense of property rights and the Orthodox Church claimed difficulties in obtaining monasteries and churches deemed cultural heritages by the state.

Religious discrimination is constitutionally forbidden and the government has bilateral agreement with Sunni Muslim and Bektashi communities, Catholic and Orthodox churches and the *VUSH*. A 2009 law provides state financial assistance to four religious communities except for the *VUSH* – which has a different arrangement and is on its way receive extended state financial aid –.

Public schools are secular but religious groups are entitled to run their own educational institutions for a total of 114 – universities, primary and secondary, vocational, kindergartens and preschool –.

Government is currently continuing its process of legalizing unofficial cult buildings. The *ATP* – Agency for the Treatment of Property –, however, is proceeding at a slow pace in adjudicating claims and some of them, on which decision have been made, are to be challenged in the court. The Orthodox Church stated that only 10% of the 890 properties for which it has submitted claims have been reviewed by the *ATP* ; similar issues have been faced by Bektashi community and the *VUSH* has found problems registering properties. The five main communities expressed concern with regard to a new cross-thematic curriculum for religion teaching as part for the humanities curriculum which in the consultation and drafting processes have not seen their presence.

<sup>7</sup> Information retrieved from the U.S. Department of State’s 2018 “Report on International Religious Freedom”.

An Interreligious Council has been formed with the aim to encourage and preserve interreligious harmony. The Council has been awarded by the Polish government for its work in the interfaith topic. Concerning interreligious peace and the effort to preserve it, different religious communities expressed preoccupation about foreign influence in religious organizations.

According to the *Pew Research Center* 2018 report, in the 2007-2017 period, all of the Western Balkans Six have shown a deterioration in both the *GRI* and *SHI* – except for Serbia, Montenegro and Albania which ameliorated its “social hostilities” status. In chart 18 WB6 profiles are provided with the identical timeframe used for Albania.

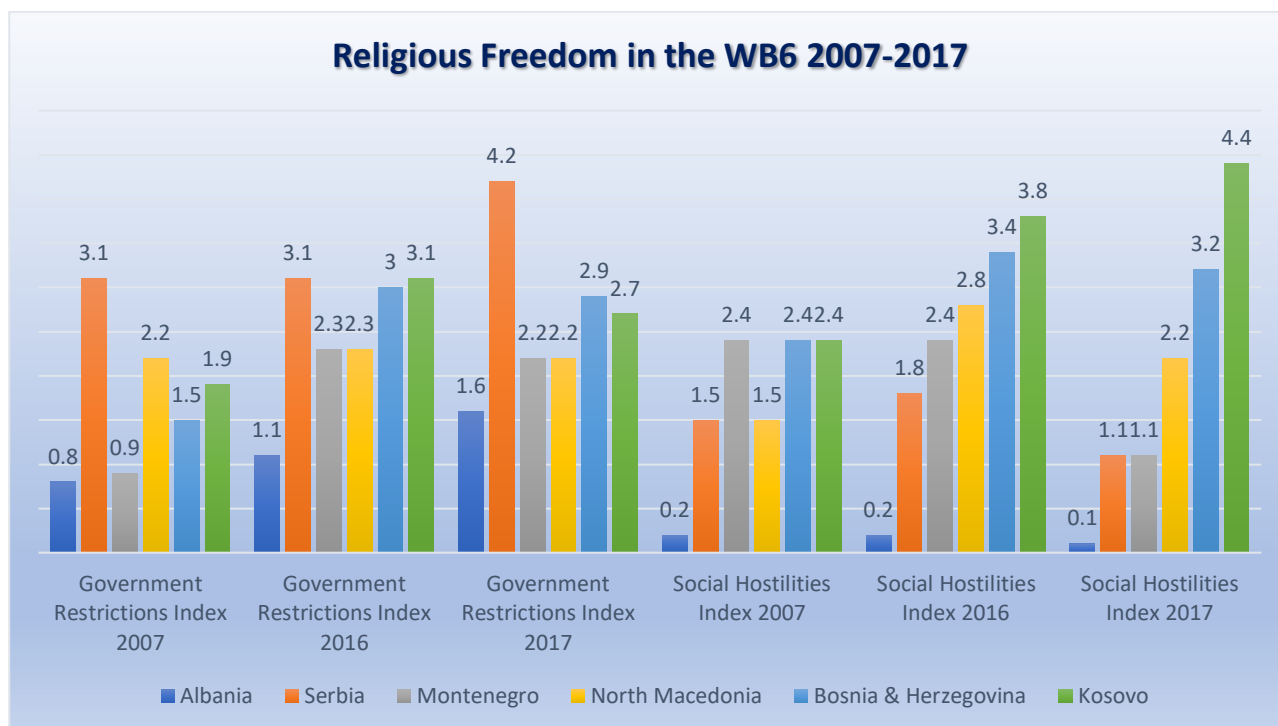


Chart 18

Although Serbia registered an amelioration in the *Social Hostilities Index*, at the same time the score obtained in the *Government Restrictions Index* represents a worrying sign. This fact is even more impressive considering that any of the actors of our cluster – Albania included – experienced consistent decays in the *GRI*. With regard to the *SHI* things get a little better, however beside improvements registered by Serbia and Montenegro – from 1.5 (2007) to 1.1 (2017) and 2.4 (2007) to 1.1 (2017) respectively – North Macedonia, Bosnia & Herzegovina and Kosovo underwent a significant worsening – especially Kosovo which in 2017 reached a 4.4. against the 2.4 of year 2007.

In conclusion, it is possible to state that despite a clear worsening in the religious freedom domains assessed by the *Pew Research Center*, none of the WB6 – except for Kosovo which is classified as a high-risk country in the *Social Hostilities Index* – is within the “High” religious freedom restrictions area. And, out of our group of interest, Albania appears clearly as the religious freest country.

## 8. Economic Freedom

The *Economic Freedom in the World* is a report published by the *Fraser Institute* – a Vancouver (Canada)-based research and educational organization focusing on best practices about public policies worldwide –.

The report taken as a basis for our analysis is an annual publication which investigates over the wide concept of economic freedom which according to the *Fraser Institute*, is the level governments and public policies safeguard properties, and sustain individual choices or capabilities to enter, carry

activities and move within the economic market. Economic freedom is composed of 5 main areas that are:

- I. **Size of government:** the extent that government through public enterprises, spending and taxation held the decision-making role in the market, preventing full capacity of individual choices and economic freedom;
- II. **Legal system and property rights:** how government protects individuals and their property rights, a condition considered at the foundation of economic freedom achievements;
- III. **Sound money:** this concept is firmly connected to inflation and measures how savings and incomes are protected from volatile and high inflation rates;
- IV. **Freedom to trade internationally:** concerns how international businesses and investors are stimulated to enter into the market and into the exchange capitals, trade products and services with national actors;
- V. **Regulation:** is the condition for which governments enforce regulations flexible enough to let privates freely operate their business and individuals make the best choices to enter the labor market.

The “Economic Freedom in the World” also includes a gender disparity adjustment which takes into account level of legal economic freedom granted to women.

Concerning global tendencies, in the 2018 report – data of which refer to year 2016 – the best ranking countries are Hong Kong and Singapore that detain the first two positions for quite a long time, followed by New Zealand, Switzerland, Ireland and United States whereas the worst positioned are low-income countries like Sudan, Guinea-Bissau, Angola and Central African Republic among others. Countries with free economies show better performances in topics such as political and civil liberties, gender equality and happiness levels. The report highlighted well-known inequalities between top quartile and bottom quartile countries – for instance, average income for the poorest 10% percent in the freest economies is \$10,660, compared to the \$1,345 of the poorest 10% coming to the least free economies.

Albania, according to the 2018 *Economic Freedom in the World*, ranked 34<sup>th</sup> (out of 162 countries evaluated) with an overall score of 7.54 – from a 0 to 10 scale –. Results are quite surprising, and it is to be noticed that the country, concerning this specific ranking, is the best performing out from the WB6 cluster; chart 19 displays Albania’s profile disaggregated by indicators covered by the report. Remembering that index’s scores are referring to two years earlier of the reports’ publication, a 2013-2016 analysis is provided.

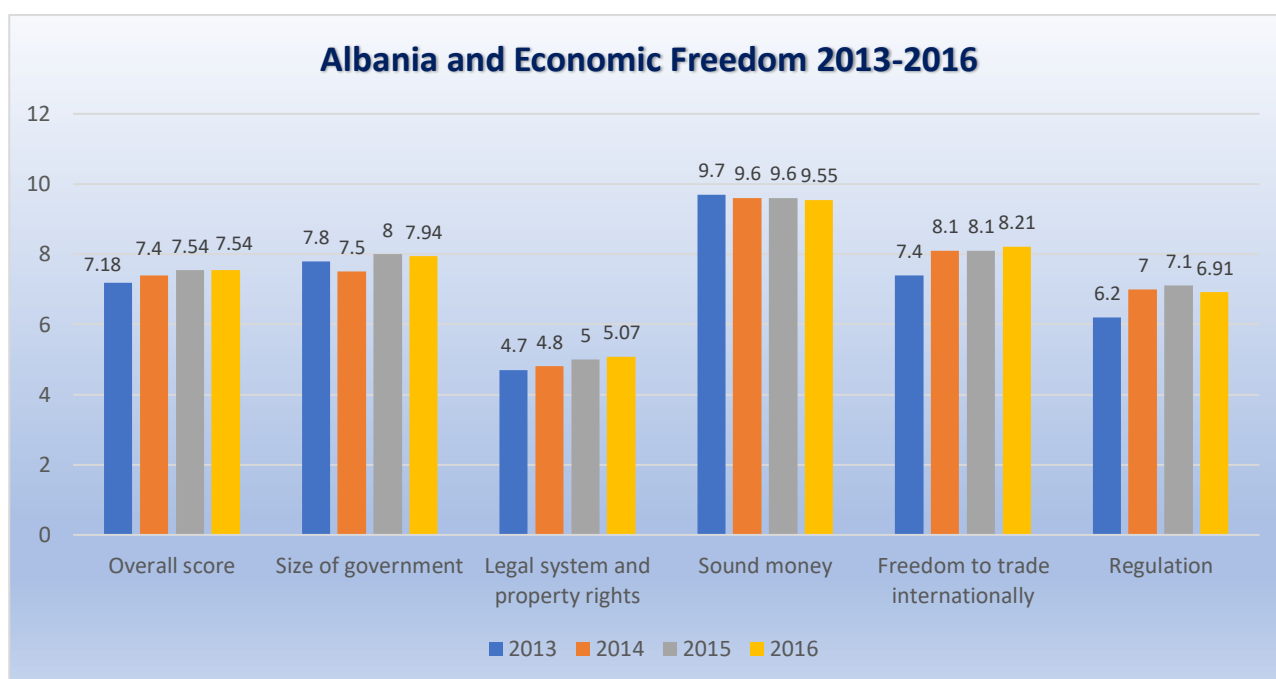


Chart 19

Looking at chart 19, the first thing catching our attention is the considerable scores in the “Sound money” segment, where the country is among world’s finest – positioning 21<sup>st</sup> – and the “Freedom to

trade internationally” where Albania ranks 25<sup>th</sup>. “Size of government”, despite having a slight worse score in absolute numbers than the previous two domains, gives us an even better reality in which the country is ranking 17<sup>th</sup>. “Legal system and property rights” and “Regulation” appear as the most demanding topics – Albania respectively is placing 83<sup>rd</sup> and 90<sup>th</sup> –.

The country, with a score of 0.95 – where 1 is maximum result achievable – is well-performing in the *Gender disparity adjustment* index.

Improvements of Albania in the “Economic freedom” are significant and tangible, even more considering that the country was standing at position 89 in 1990, with a total score of 4.58.

The second-best positioned country from our cluster, according to the 2018 *Economic Freedom of the World*, is North Macedonia which, with a comprehensive score of 7.13, is 68<sup>th</sup>; this latter is followed closely by Montenegro (72<sup>nd</sup>) – score of 7.04 –. Serbia and Bosnia & Herzegovina fall distant respectively at position 84<sup>th</sup> – score 6.85 – and 97<sup>th</sup> – score 6.60 –.

In chart 20 overall scores in a 2013-2016 period are displayed, while in chart 21 scores for the 5 main domains of the report are presented. Significant changes in time related to the several areas, if revealed, will be discussed separately. Kosovo, which is not evaluated by the report, is not included in the analysis.

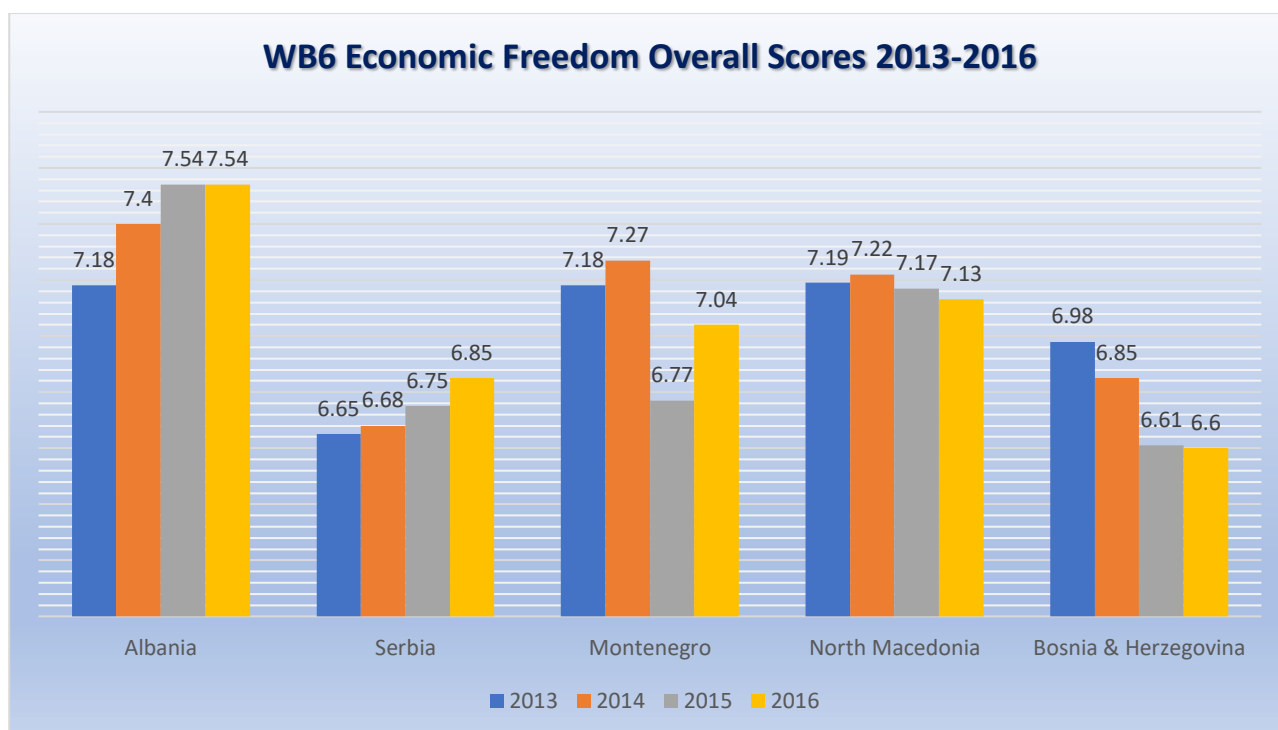


Chart 20

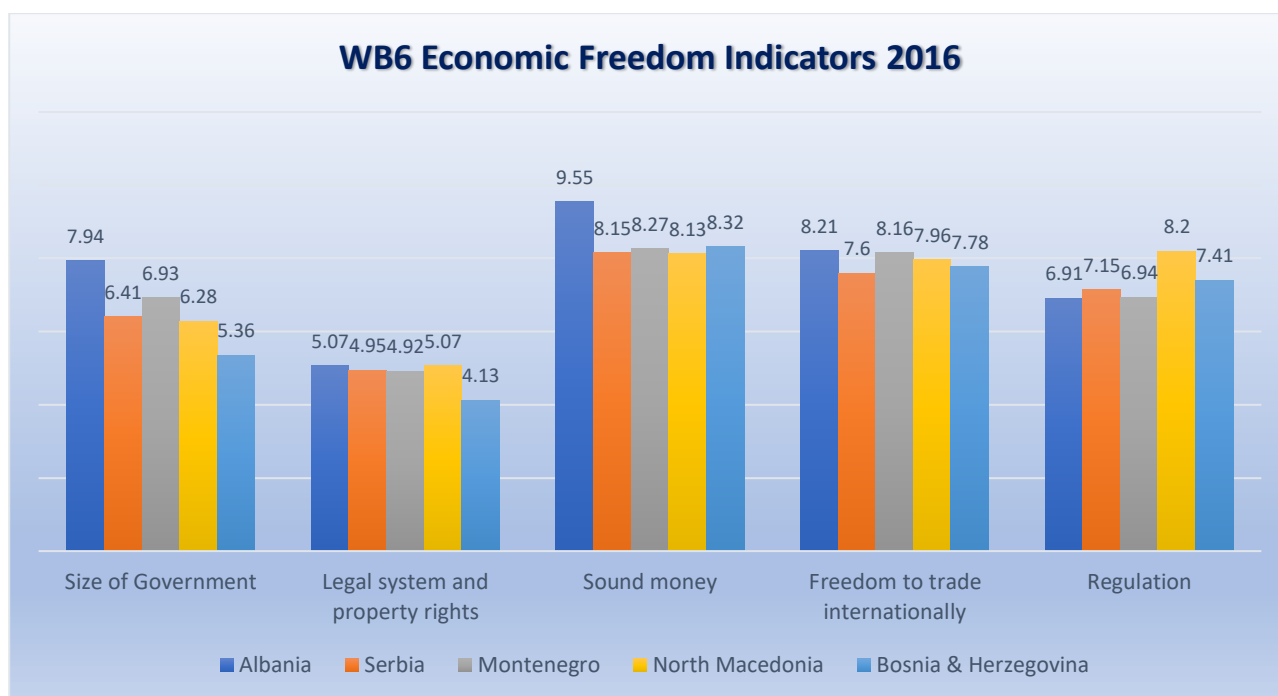


Chart 21

First of all, basing considerations on this 2013-2016 timeframe, Serbia is the only country registering an improvement of its overall score – from the 2013 6.65 to the 6.85 of year 2016 –, while all the others are registering a decay in their economic freedom: the case of Bosnia & Herzegovina is crystal clear. The major difficulties for the WB6 are placed within the “Size of government” and “Legal system and property rights” domains, where no signs of any significant amelioration are detectable – as a matter of fact, in the 2013-2016, none of the countries from our cluster achieved a reinforcement of their “Size of government” and “Legal system and property rights” domains, with the only exception of Serbia which registered a feeble improvement in its legal system indicator reaching a 4.95 score from the 4.8 of year 2013 –. Bosnia & Herzegovina is the only country which experienced a depletion in all domains. On the contrary, an upward trend is highlighted with regard to “Sound money”, “Freedom to trade internationally” and “Regulation” for each country – Bosnia & Herzegovina excluded –.

Concerning the gender parity adjusted evaluation, the only country performing better than Albania is Serbia – scoring 1 –, while the worst results can be found in Montenegro’s profile – the country scored a poor 0.82 whereas in 2010 it was 0.96 –. North Macedonia has been rated with a 0.90 and Bosnia & Herzegovina with a 0.87.

Concluding, much remains to be done for the WB6 in order to create a competitive economic environment where freedom to move in and out of the job and the trade market is guaranteed while receiving proper safeguards. It looks like Albania is the only country out of our analysis which undertook the right path.

## 9. Globalization

The *Globalization Index* by the KOF – Konjunkturforschungsstelle –, a branch of the Federal Polytechnic School of Zurich – ETH –, ranks overall globalization of 185 countries according to their *de facto* and *de jure* globalization. Every globalization variable assessed by the index is measured on a 0-100 scale and it has a different weight on the calculation composing the overall globalization score – e.g. “Trade in goods” has a different weight with respect to “Trade in services” (38.8 and 44.7 respectively) –. Variables fall under 12 sub-indices<sup>8</sup> or directly indices – as the case of “Political globalization” – and

<sup>8</sup> Sub-indices made up of globalization variables are: “Trade globalization, *de facto*”, “Financial globalization, *de facto*” – Economic globalization, *de facto* –; “Trade globalization, *de jure*”, “Financial globalization, *de jure*” – Economic globalization, *de jure* –;

they finally compose 6 main indices – “Economic globalization, de facto”, “Social globalization, de facto”, “Political globalization, de facto”, “Economic globalization, de jure”, “Social globalization, de jure”, “Political globalization, de jure” –. Economic, social and political globalizations are aggregated to the globalization index with an equal weight (33.3 each).

The index keeps up-to-date globalization levels of world countries since 1970. Last update refers to year 2018 (2016 globalization data). According to the index, world in 2016 registered an overall globalization score of 61.69 – 59.8 “de facto” globalization and 63.95 “de jure” globalization –.

With the next analysis, Albania overall globalization levels and changes over a 2012-2016 period is provided. A further look will be provided with regard to Albania’s globalization sub-indices in order to see in which areas the country highlighted particular increases. Chart 22 depicts Albania globalization in the 2012-2016 timeframe.

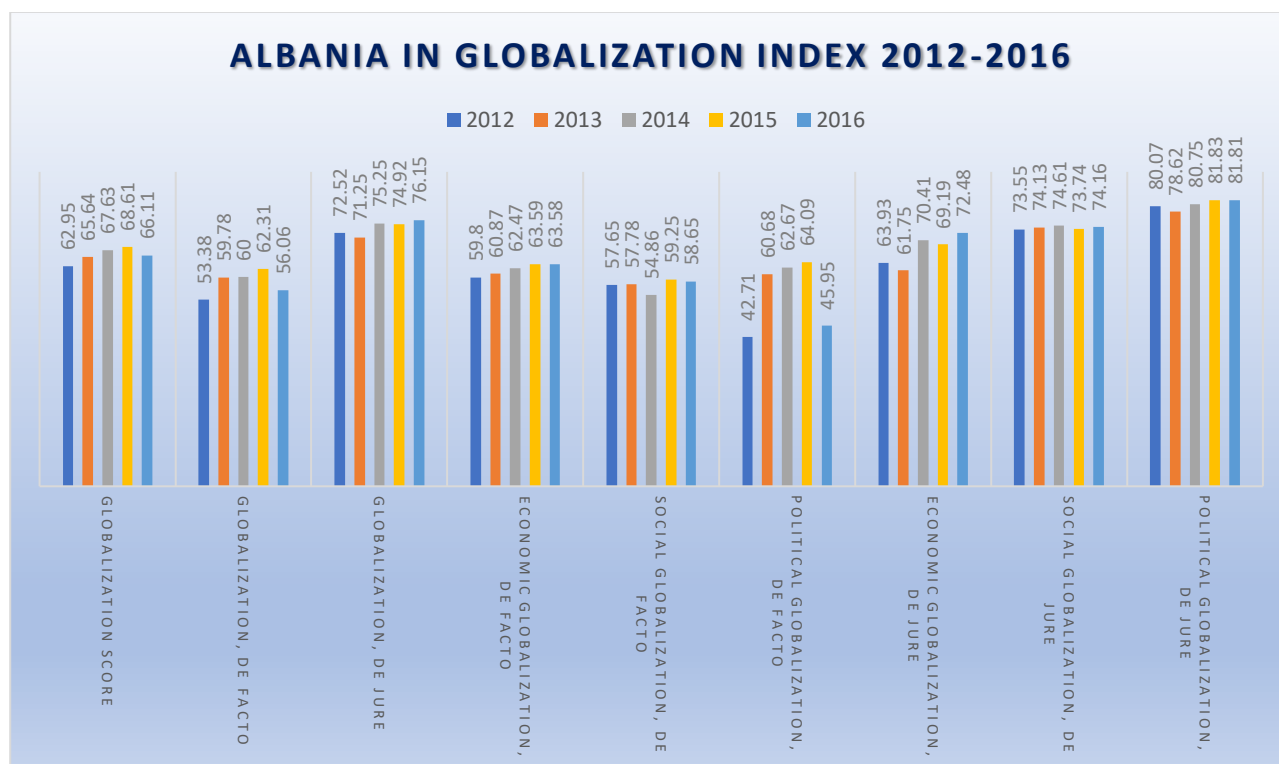


Chart 22

Albania (63<sup>rd</sup> in the ranking – year 2015 –) globalization levels experienced a significant surge in year 2013-2014, but lately the trend has been reversed and the country underwent two consecutive years of deterioration (2015-2016). Albania ameliorated both “de facto” and “de jure” globalization. Despite this swinging behavior, in the time-lapse on which our analysis is based, globalization score increased by 3.16. While “Social globalization” and “Political globalization” remained quite stable, “Economic globalization” represented the driving force – with an increase of “de facto” and “de jure” economic globalization of +3.78 and +8.55 respectively. The country is above global average, mainly due to good performances in the “de jure” globalization domains; this could be symptom of a well-functioning regulatory and law framework, however not accompanied by effective globalization: “de facto” globalization is below global average. With this regard, particular mention must go to “Social globalization, de facto” and “Political globalization, de facto”. These are the only sub-indices where the country is below world standards. Particularly, the “Information globalization” variable – from the “Social globalization, de facto” –, which assesses “Patent applications”, “International students” and “High technology exports” scored a 56.1 – against world 67.38 –. “Political globalization” which evaluates the “Embassies”, “UN peace-keeping missions” and “International NGOs” registered a score of

*“Interpersonal globalization, de facto”, “Information globalization, de facto”; “Cultural globalization, de facto” – Social globalization, de facto –; “Interpersonal globalization, de jure”, “Information globalization, de jure”, “Cultural globalization, de jure” – Social globalization, de jure –. Political globalization – de facto and de jure – have no sub-indices.*

45.95 – global average is 55.78 –. It does look like Albania's economy and regulatory frameworks are ready to be fully compatible with the modern globalization process, however, socially and politically talking, further steps must be walked.

According to the *Globalization Index*, Serbia is the most globalized WB6; it ranks 40<sup>th</sup>, followed by Bosnia & Herzegovina (53<sup>rd</sup>), North Macedonia (54<sup>th</sup>) and Montenegro (57<sup>th</sup>). Kosovo globalization is not assessed by KOF. As one can see, Albania is at the tail end. In chart 23 and 24 globalization scores for the WB6 are provided. Scores refer to year 2016.

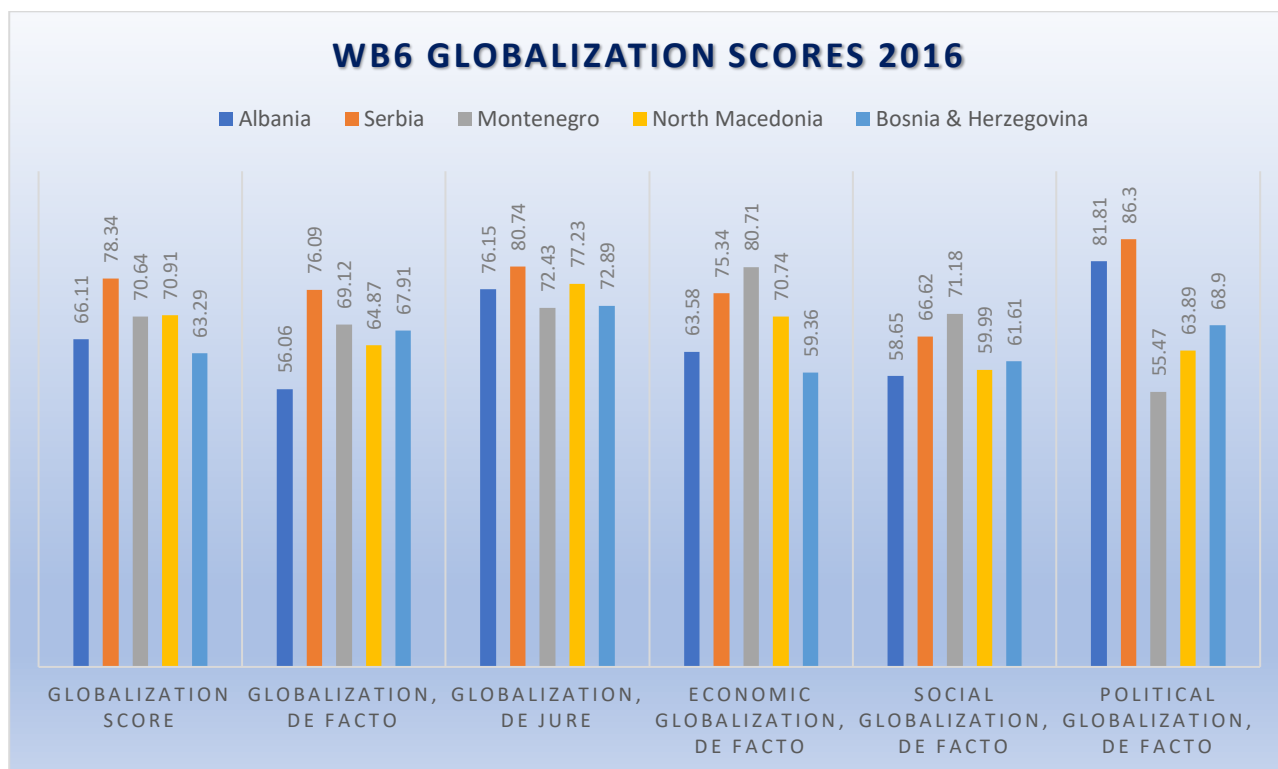


Chart 23

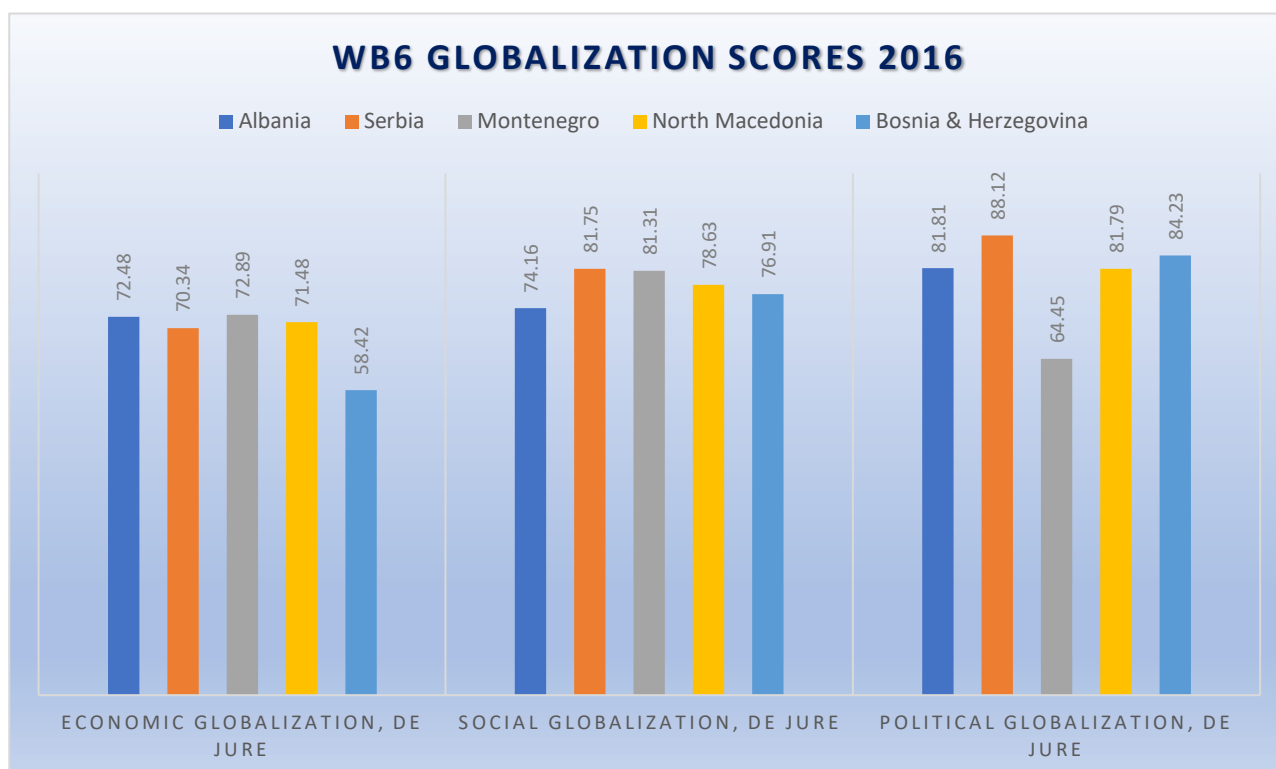


Chart 24

The WB6 are in their own process of getting totally entangled in a globalized world. As transition countries this modification towards openness of their economies and societies could be undermined with backward trends, particularly in the way governments let information flow to citizens and the way human capital is used for international exchanges and to boost positive externalities. All in all, the behavior of the WB6 and their positions in the *Globalization Index* lead us to believe the process is well established. Serbia is the best ranking country from our group. Taking as a parameter the condition of the EU-28 countries, any of the WB6 is below their globalization standards. Despite this distance from EU levels, the WB6, in the last two decades made significant ameliorations of their globalization level. In the 2012-2016 period, the globalization process in the WB6, except for Montenegro (-0.08) and Bosnia & Herzegovina (-1.3), has steadily improved. Serbia improved its overall globalization score by 3.43, while North Macedonia only by 0.09. As aforementioned, Montenegro and Bosnia & Herzegovina registered a deterioration – 0.08 and 1.3 –. The roots of this slowdown can be found in the “Social globalization” realm, where all the WB6 – with Albania representing a singularity – experienced a decay. The integration of their societies in the globalization course appears to be the most impelling duty for the WB6.

## 10. Press Freedom

The *World Press Freedom Index* is the yearly release by the Paris-based NGO *Reporters sans Frontières*. The report examines condition of press and media freedom across the world. The publication is intended to provide a global look at free flow of information, at liberties and protections connected to the work of journalists and reporters. The report is endowed with individual press freedom profiles of 180 countries. The annual ranking is partly based on the elaboration of information coming from a questionnaire addressed to press professionals which includes questions about pluralism, transparency, legal framework and media independence. The remainder of the final score of a country is completed by a monitoring activity of RSF with regard to violent act committed by the State or any other formal/informal group at the expense of journalists.

According to the “2019 World Press Freedom Index” the activity of reporters, journalists and press assistants has now become the designated victim of a hatred escalation which sees national leaders and politicians as the main actors of the press delegitimization process. This climax is causing a steady decline of countries considered “safe”, and the parallel surge of authoritarian regimes is harshening State control over media independence. The trend, which is a multi-year one, doesn’t seem to meet the conditions necessary to invert this hatred spiral and restore the legitimacy of journalism and freedom of expression.

Free flow of information and independence of the media are ranked amongst the top priorities for Albania. These topics are under the heedful eyes of many international institutions – e.g. OECD and EU Commission – and their crucial importance is reiterated by the wide European and regional community in several occasions. According to the RSF “2019 World Press Freedom Index” freedom and autonomy of information is at risk in the Balkans, and though some optimism comes from the status of countries as Kosovo or North Macedonia, the same cannot be said for Serbia, Montenegro and lately Albania.

Precisely, Albania is the country, within this group, that caught the attention of high-regarded organization investigating press freedom worldwide. Following, the representation of chart 25, which contains Albania’s scores from year 2012 to 2018, a brief synthesis of the country press freedom condition as excerpted by the RSF report, and the instrument designed by this latter and the *Balkan Investigative Reporting Network* named *MOMA*<sup>9</sup> (Media Ownership Monitor Albania), is provided.

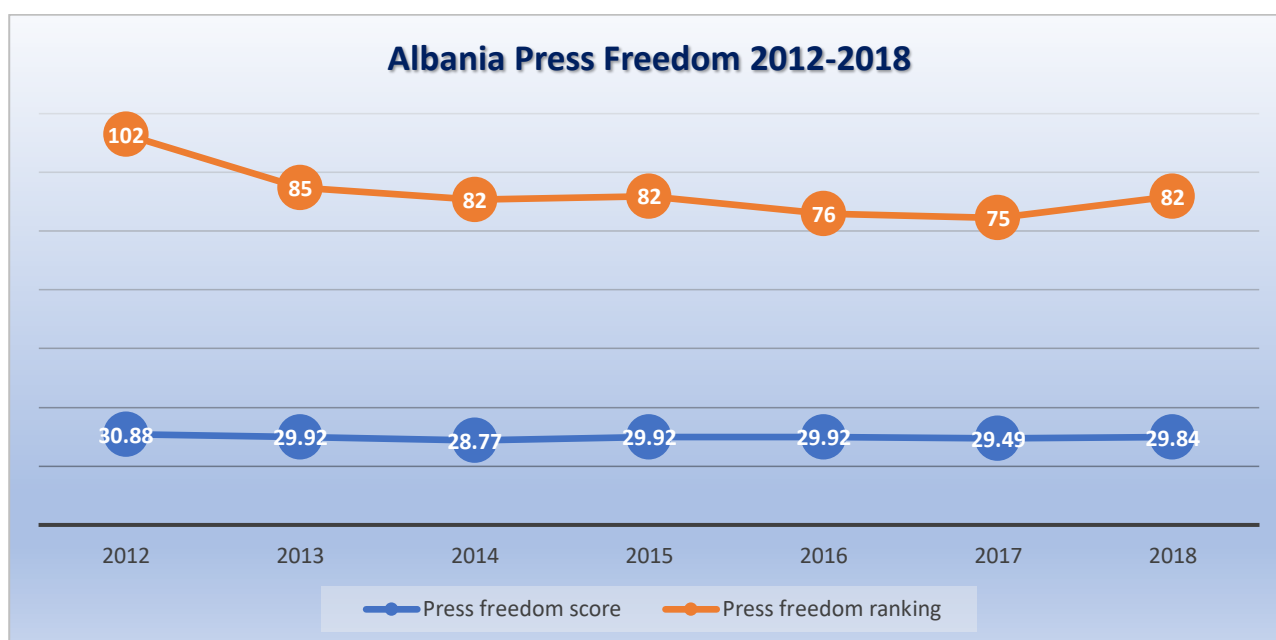


Chart 25

According to chart 25, Albania highlighted a really important improvement between year 2012 and 2013, however, this trend has not been confirmed in the following years, where the country swung from plus to minus, and comparing year 2013 to year 2018 the aggregate press freedom score improved of only of 0.08.

Based on these assumptions, by means of the analysis of the *MOMA*, a set of issues – indicators of risk<sup>10</sup> – affecting press freedom in Albania is discussed. According to this monitoring instrument, media pluralism is in danger and the country is showing alarming conditions in any of the 10 risk indicators scrutinized by the report.

- i. **Media audience concentration:** data are based on research carried by two agencies (Abacus Research and Telematrix) which respectively examined audience distribution among 1080 rural

<sup>9</sup> <http://albania.mom-rsf.org/en/>

<sup>10</sup> Indicators of risk to media pluralism assessed by the Media Ownership Monitor Albania are: Media Audience concentration; Media market concentration; Regulatory safeguards: media ownership concentration; Cross-media ownership concentration; Regulatory safeguards: cross-media ownership concentration; Ownership transparency; Regulatory safeguards: ownership transparency; Political control over media outlet and distribution networks; Political control over media funding; Political control over news agencies.

and urban households, and 300 urban households. Considering the differences of the sample clusters, results diverge and for this reason the media data market are considered not reliable, which means that it consists of a high-risk indicator for media pluralism. Nonetheless, data available, show that a major concentration of audiences has been detected by the four major television owners of the country, whose media account for the 48.93% (Abacus Research stats) and 58.60% (Telemetrix stats). Radio market audience concentration for the four major owners reaches a 63.96% and print market a 43.29%.

- ii. **Media market concentration:** this indicator is classified as “high risk” too. 93% of both the digital and public network market is owned by 4 owners (89.6% of the free-to-air market). The advertising market is showing a monopolistic-like nature with few telecommunications companies providing the lion’s share of the ad revenues for the media.
- iii. **Regulatory safeguards: media ownership concentration:** this is a “high risk” indicator. Albania legislative framework in this field is weak and not comprehensive of the entire media outlets. Both the Constitution and the Civil code miss provisions over media ownership concentration: the audio-visual media law does not contain any definition of monopolization and concentration; while the article 62 of law 97/2013 contains a mechanism of media concentration avoidance, this is not applicable to any other media outlet, furthermore the law does not rule any mechanism preventing media pluralism endangering situations.
- iv. **Cross-media ownership concentration:** within this topic the risk is “high” – where high means that at least 70% of the entire media market share is owned by 8 major companies –. According to *Abacus Research* the market share of the top 8 owners is 72.51% where for *Telemetrix* is 80.10%.
- v. **Regulatory safeguards: cross-media ownership concentration:** this too is a “high risk” indicator: national laws do not provide a legislative framework to protect media pluralism, monitor and prevent cross-media ownership and a definition for media monopolization and concentration;
- vi. **Ownership transparency:** this is a “medium risk” indicator as, despite not having a media ownership database, information concerning media owners are available at the “Albania National Business Registry”. Therefore, Albania media ownership transparency is labeled as “passive transparency-publicly available”;
- vii. **Regulatory safeguards: ownership transparency:** Albania does not possess a law envisioning any transparency or disclosure obligation concerning media companies. However, information is retrievable from the national business registry and – fiscally talking – from the annual financial reports submitted to the tax authority. Online media information is harder to obtain as this kind of business has no registration requirements. This indicator is a “medium risk” too;
- viii. **Political control over media outlets and distribution networks:** despite having a law prohibiting to individuals holding public office to take advantage of public funds for their own enterprises, proxy owners are likely to be used to extend control over media, as well as other business. 11 media owners out of 25 are politically affiliated and politicians use media to manipulate coverage of public information. The “AMA” media regulatory authority – itself politicized – is quite unsusceptible of regulating a market that appears to be politicized and partial. A “medium risk” has been detected for this indicator.
- ix. **Political control over media funding:** a “medium risk” indicator. *AMA* is the body in charge of regulating the funding allocations to media companies and state subsidies are regulated by article 53 of the VAT law (n. 92/2013) and provided by the public broadcaster “RTSH”. State advertising is not transparent and rules about distribution of it are not clear and no information is available concerning state advertisement recipients. There is no regulation for a fair share of state advertisement distribution based on audience and consequentially the share is unfairly distributed.
- x. **Political control over news agencies:** there is only one news agency, the “Albanian Telegraphic Agency” which is state-owned and not very influential, but still very politicized and, despite of the limited role played, it is perceived as a propaganda tool. This is a “high risk” indicator.

Rooted in a common past, the WB6 share many common issues connected to their shared past of conflict and turmoil. The “Press freedom” profile of these countries – with the same timeframe covered for Albania – is now approached to see if the issues-shared assumption is respected or if any of the

components of our cluster highlights a different trend and result. Chart 26 aids us in delineating the picture.

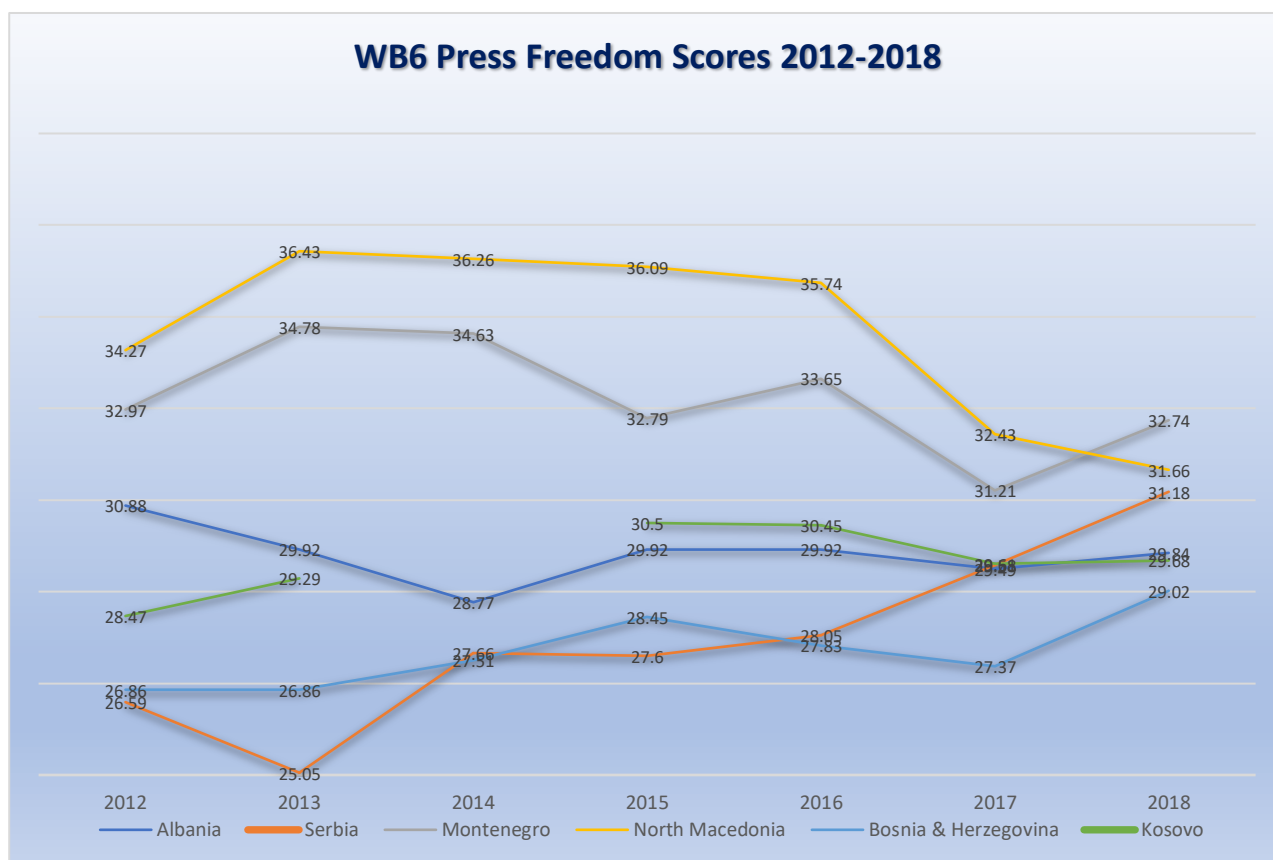


Chart 26 [Kosovo score for year 2014 not available]

Chart 26 highlights a few interesting facts. From 2012 to 2018, a results' deterioration can be detected for Serbia (26.59-31.18), Kosovo (28.47-29.68) and Bosnia & Herzegovina (26.86-29.02); whilst, pairing with Albania, a nearly unperceivable improvement has been registered by Montenegro (32.97-32.74). Only North Macedonia, whose score has ameliorated from the 2012 34.27 to the 2018 31.66, appears to be a virtuous country. Press freedom is clearly a continuous challenge for the Western Balkans.

## 11. Doing Business

The *Doing Business* report is at its 17<sup>th</sup> edition. Doing Business is founded on the principle that “economic activity benefits from clear rules: rules that allow voluntary exchanges between economic actors, set out strong property rights, facilitate the resolution of commercial disputes, and provide contractual partners with protections against arbitrariness and abuse. Such rules are much more effective in promoting growth and development when they are efficient, transparent, and accessible to those for whom they are intended”. The report assesses the easiness to start and run a business in 190 countries and takes account for the efforts carried out by these countries to guarantee a legal environment for entrepreneurship – big business and SMEs.

The *Doing Business 2020*, updated to 1 May 2019, observed that developing countries are catching up with developed ones, albeit an entrepreneur in a developing country still spends about 50% of the country's per-capita income to start a business compared to 4.2% in developed countries. Areas assessed by the report which globally experienced major improvements are “Starting a business”, “Dealing with construction permits” and “Trading across borders”. The least reformed area is “Resolving

insolvency". Worldwide 115 countries made it easier to launch and run a business. Among the countries improved the most there are Saudi Arabia, Jordan, Togo, Bahrain, Tajikistan, Pakistan, Kuwait, China, India and Nigeria. Only two African economies rank in the top 50 and no Latin American country ranks in this cluster.

In calculating the regulatory environment designed for business and economic activities, the *Doing Business* uses a total of 12 indicators:

- I. **Starting a business:** this indicator takes into consideration the number of procedures required to business to incept and run their activities. The *Doing Business* found out that where registering officials are well trained, bureaucratic load on business tends to diminish;
- II. **Dealing with construction permits:** in this area, documentation and procedures are analyzed with regard to enterprises active in the construction industry and the time and cost for completing the construction of a building – e.g. warehouses –. Quality control, regulatory framework and safeguards mechanism are also evaluated;
- III. **Getting electricity:** it evaluates procedures and time necessary to get electricity in business buildings, transparency of tariffs, cost and stability of the electricity supply;
- IV. **Registering property:** in this topic, the full sequence of procedures required for purchasing a business from the original owner and transfer the property to the buyer's name are recorded. Quality of land administration is also assessed;
- V. **Getting credit:** it measures security levels accorded to lenders and borrowers with respect to their transactions and pursuant to collateral and bankruptcy laws. It also accounts for flow of information with regards to credit provision;
- VI. **Protecting minority investors:** it reports measures for protection of minority investors from conflicts of interest and shareholders' rights within the corporation;
- VII. **Paying taxes:** it includes the amount of taxes, contributions and administrative costs that a medium-sized company must pay per year ;
- VIII. **Trading across borders:** it defines time and costs connected to logistical processes – documentation, border compliance and domestic transports – of importing or exporting goods;
- IX. **Enforcing contracts:** it measures time and costs linked to the resolution of commercial disputes through a first-instance court and the quality of the judiciary;
- X. **Resolving insolvency:** it analyses time, costs and procedures for insolvency proceedings involving domestic groups and the strength of the legal framework applicable to judicial liquidation and reorganization proceedings;
- XI. **Employing workers:** this indicator is not included in the *Ease of Doing Business* country score. It measures the flexibility of the employment regulations;
- XII. **Contracting with government:** this indicator too does not influence the *Ease of Doing Business* score and ranking of a country – it will, starting from *Doing Business 2021* –. It measures procedures and time to participate in and win a procurement through public tender and its regulatory framework.

Albania, in 2020 *Doing Business* report, ranks 82<sup>nd</sup> (score of 67.7) losing 19 positions but registered a +0.7 in the *Ease of doing business* score. The *Doing Business 2020* individuates this significant accomplishment by Albania: the increase of the reliability of its power supply via the introduction of Supervisory Control and Data Acquisition (SCADA) automatic energy management system for the monitoring of outages and the restoration of service. In chart 27 Albania 2020 *Ease of doing business*' profile (scores referring to year 2019) is displayed. Scores are compared with those registered by the *Doing Business* 2019 and 2018.

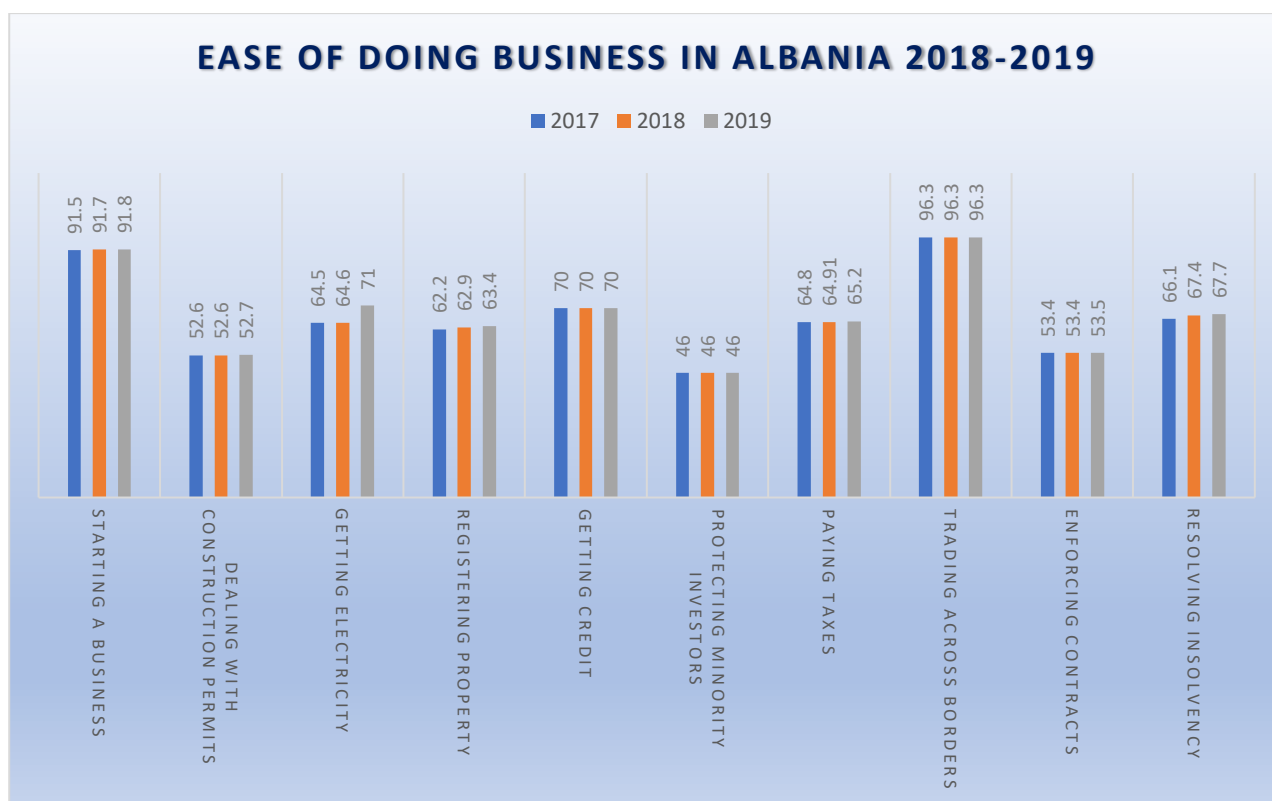


Chart 27

As reported by the *Doing Business*, Albania significantly improved in “Getting electricity” – +6.5 in the 2017-2019 time lapse –; other notable improvements have been detected in “Registering property” – +1.2, “Paying taxes” – +0.4 –, “Resolving insolvency” – +1.6 –, “Starting a business” – +0.3 –.

North Macedonia confirms its status as the most-friendly WB6 country for doing business, ranking 17<sup>th</sup> with a 2019 EODB score of 81.7. Serbia – 44<sup>th</sup> –, Montenegro – 50<sup>th</sup> – and Kosovo – 57<sup>th</sup> – are all ranking above Albania. Bosnia & Herzegovina – 90<sup>th</sup> – closes the chart as the WB6 country with the lowest easiness of doing business. In chart 28 and 29 scores for the 10 EODB indicators are provided concerning year 2019; significant changes over time (year 2018-2019) will be not depicted and will be discussed separately.

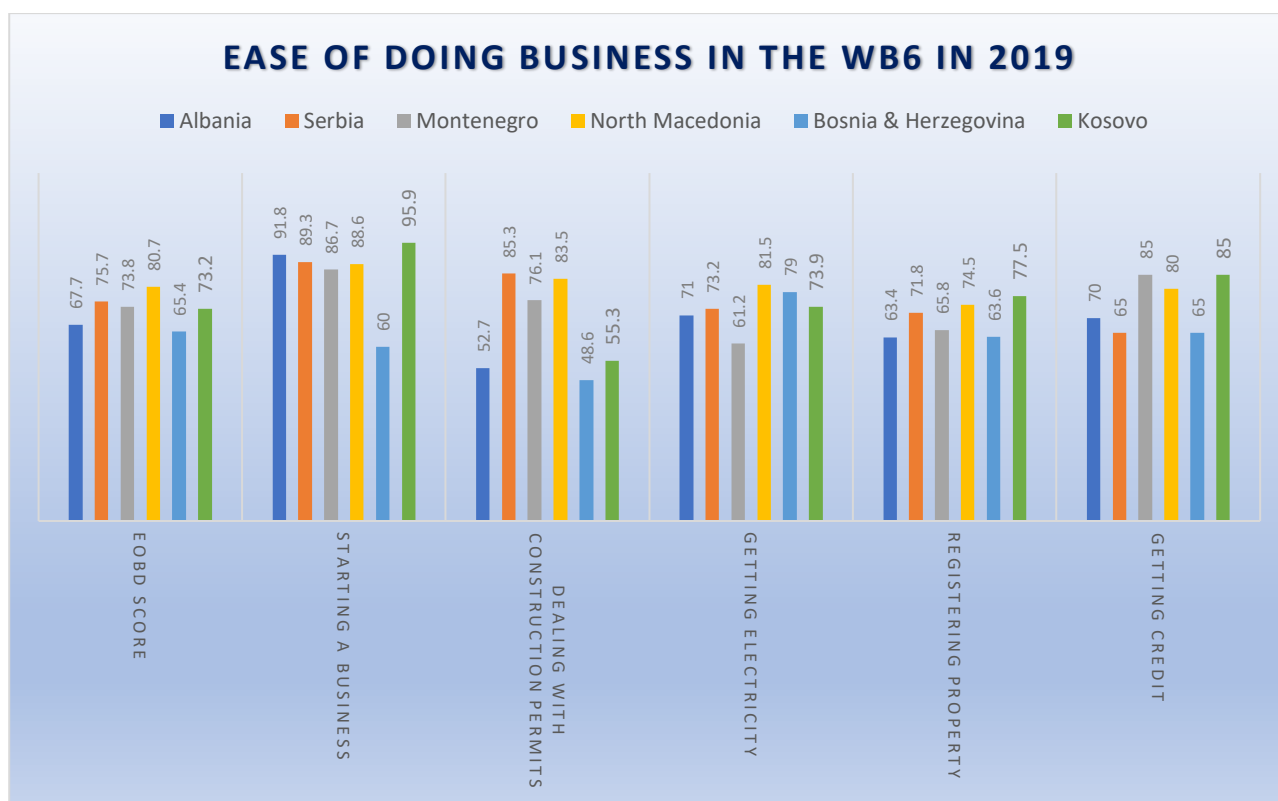


Chart 28

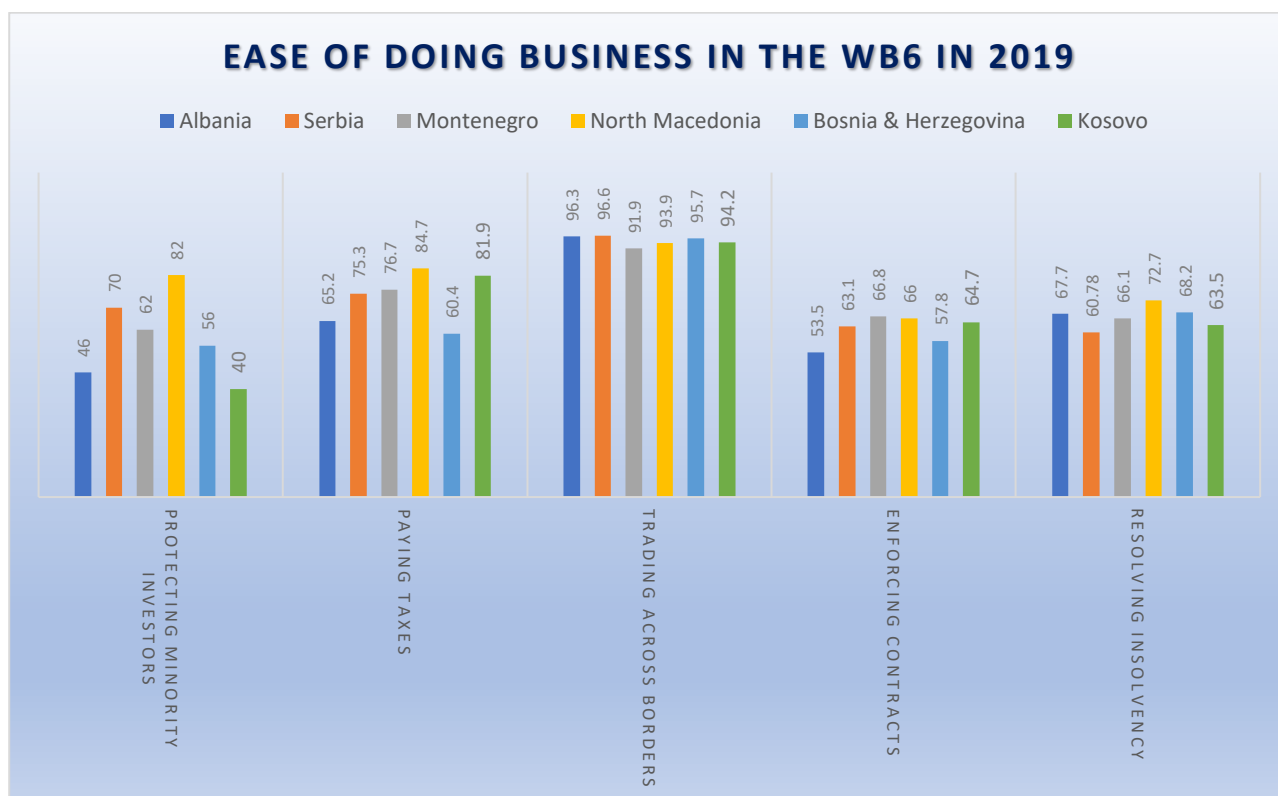


Chart 29

There is no linear behavior with regard to the Balkan region, nonetheless a few indicators are relevant to all the WB6 and need a better regulation as “Enforcing contracts”, “Protecting minority investors” and “Resolving insolvency”. North Macedonia confirms that its easiness of doing business outpaces its neighbors in nearly half of the indicators. According to the *Doing Business 2020*, “Dealing with construction permits” is the domain where the country achieved the most significant improvement

as it passed from an 80.4 score (2018) to an 83.5 (2019). Thanks to the introduction of a simpler way to calculate enforcement fees and a less costly overall process, North Macedonia improved its “Enforcing contracts” to 66 score (2019) from previous year 65.3. Serbia too, through the creation of a new online portal, made major progresses in “Dealing with construction permits” – score of 85.3 in 2019 from the previous 84.4 – . Even though the 2020 *Doing Business* signals a more complicated process for obtaining electronical permits and registration of the business, Serbia improved its “Starting business” from 73.9 (2018) to 75.7 (2019) and “Protecting minority investors” from 62 (2018) to 70 (2019). Montenegro enhanced its “Getting electricity” – 2019 score of 40.3 (+10.1) – , “Getting credit” – 2019 score of 41 (+2.2) – and “Dealing with construction permits” where the countries obtained a 76.1 score (+0.9 compared to previous year). – Bosnia & Herzegovina slightly improved its “Starting a business” (+0.2), “Getting electricity” (+0.1) and “Resolving insolvency” (+0.4). Kosovo seriously enhanced its “Protecting minority investors” (+8) and “Getting electricity” (+9.5) and to a lesser extent “Dealing with construction permits” (+2.4), “Enforcing contracts” (+0.9), “Trading across borders” (+0.4), and “Starting a business” (+0.2). Ameliorations in nearly all the EODB indicators are constant for the WB6, however, further efforts are expected to be implemented by Albania and Bosnia & Herzegovina to run at the pace of the other countries of the region.

## 12. Rule of Law

In the definition of *World Justice Project*, rule of law is “ the foundation for communities of justice, opportunity, and peace – underpinning development, accountable government, and respect for fundamental rights. Traditionally, the rule of law has been viewed as the domain of lawyers and judges. But everyday issues of safety, rights, justice, and governance affect us all; everyone is a stakeholder in the rule of law”.

Rule of law is the permeation of regulatory and legal frameworks within the society, so that any individual, not depending of its social status, is subjected to legal codes and processes. It is not only the pillar for a functioning government, but also a socioeconomic and business booster. Without the enforcement of laws and the independence of the judicial system there is no protection for individuals and privates. Countries with weak rule of laws are perceived as unreliable actors in which to invest and with which bind political or commercial ties. For the Western Balkans the argumentation acquires even more importance as EU members consider a strong rule of law the main instrument to fight corruption, create a fair society, encourage human capital development and reach the EU-set standards.

Globally rule of law is under pressure and this is consistent with the decrease of democracy levels across the world. According to the *World Justice Project's* “Rule of Law Index 2019” there are more countries registering a RoL decline than those improving their scores. The most worrying condition is highlighted by the “Constraints of Government Powers” indicator<sup>11</sup>: 61 countries worsened their status, 23 stayed stable and only 29 improved, and among the worst performing countries in this specific sector are Serbia and Bosnia & Herzegovina.

Before introducing the *Rule of Law Index* a few premises on Albania state of the art are necessary. The country is quickly approaching a turning point where decisive steps are to be taken to guarantee the development of a full and effective democratic structure. In the last decade Albania started the renewal of administrative and regulatory frameworks, with rationalization of public administration, differentiation of the executive from the judiciary, an improved guarantee of civil rights protection and universal access to the Justice. Law 115/2014 “On the territorial and administrative division of local governments units in the Republic of Albania” brought the number of municipalities to 61 from the former 384 with the aim to pursue the strengthening of local administration capacities, provide all citizens with broad access to public services and foster civil participation to the democratic life of local government units. Despite some difficulties in including in the democratic participation and safeguard basic services for some vulnerable groups, citizens are more involved in the decision-making process and the government is more accountable than before.

---

<sup>11</sup> The indicators evaluated by the *World Justice Project* are: constraint on government powers; absence of corruption; open government; fundamental rights; order and security; regulatory enforcement; civil justice; criminal justice.

Concerning rule of law one issue seems to catalyze most of the efforts: the Judiciary reform. This is one of the issues that the government must tackle in order to endow the country with an effective and fair justice system. European Union, through its *EU external action* and the *EURALIUS* project<sup>12</sup>, is supporting and providing expertise to bolster rule of law and speed up the accession process. Focus of the EU program is on the efficiency of the judiciary, the vetting system and structural capacities to proceed against corruption and organized crime. Improvements in the Acquis chapters 23 – *Judiciary and fundamental rights* – and 24 – *Justice, freedom and security* – have been praised, however a sense of urgency has been indicated with regard to fight against corruption and the need to carry on the reform of a divisive and inefficient electoral system.

This year, protests by part of the population and the main opposition party against the government have put these ongoing processes in a stalemate. Nonetheless, once parliamentary activities will be restored, there is no reason to believe the country will not get back on track to continue the reform process and accelerate EU accession negotiation talks.

Rule of law is an open chapter for Albania and is deeply important for the country's reputation among EU partners. In the following lines, Albania profile and RoL status as extracted from the *World Justice Project's* "Rule of Law Index" are assessed. Based on data held by the report, the analysis of the country's performance in the 8 indicators covered by the index is carried. Results and scores will be provided for a 4-year timeframe (from 2015 to 2018). A little reminder; within the *Rule Of Law Index* 0 represents the worst possible score while 1 the highest rating. These are the subjects covered by the report:

- I. **Constraints on government powers:** it measures the extent to which those who govern are effectively bound by law;
- II. **Absence of corruption:** it measures the level of corruption by examining two factors: influence on government by public or private interest groups and mismanagement and misappropriation of public funds;
- III. **Open government:** this indicator captures the level government information shared with citizens to improve democratic participation and make government accountable for its actions;
- IV. **Fundamental rights:** it is the enforcement and respect of Human Rights as defined by international conventions;
- V. **Order and security:** it measures the protection assured to people, and public and private properties;
- VI. **Regulatory enforcement:** it defines how regulations of a specific country are implemented and guaranteed;
- VII. **Civic justice:** it measures the level citizens can resolve disputes fairly and peacefully through Civic Justice System;
- VIII. **Criminal justice:** assesses the entire Criminal Justice system including police, prison officers, judges and lawyers and how response to deeds against society is given.

---

<sup>12</sup> The European Assistance Mission to Albania Justice System (*EURALIUS*) is currently at its 5<sup>th</sup> round and so far has supported Albanian authorities in amending the Constitution with 7 key laws related to good governance and functioning of the judiciary, issuing 31 laws on access to justice and procedural rights and experts and training to national justice officials.

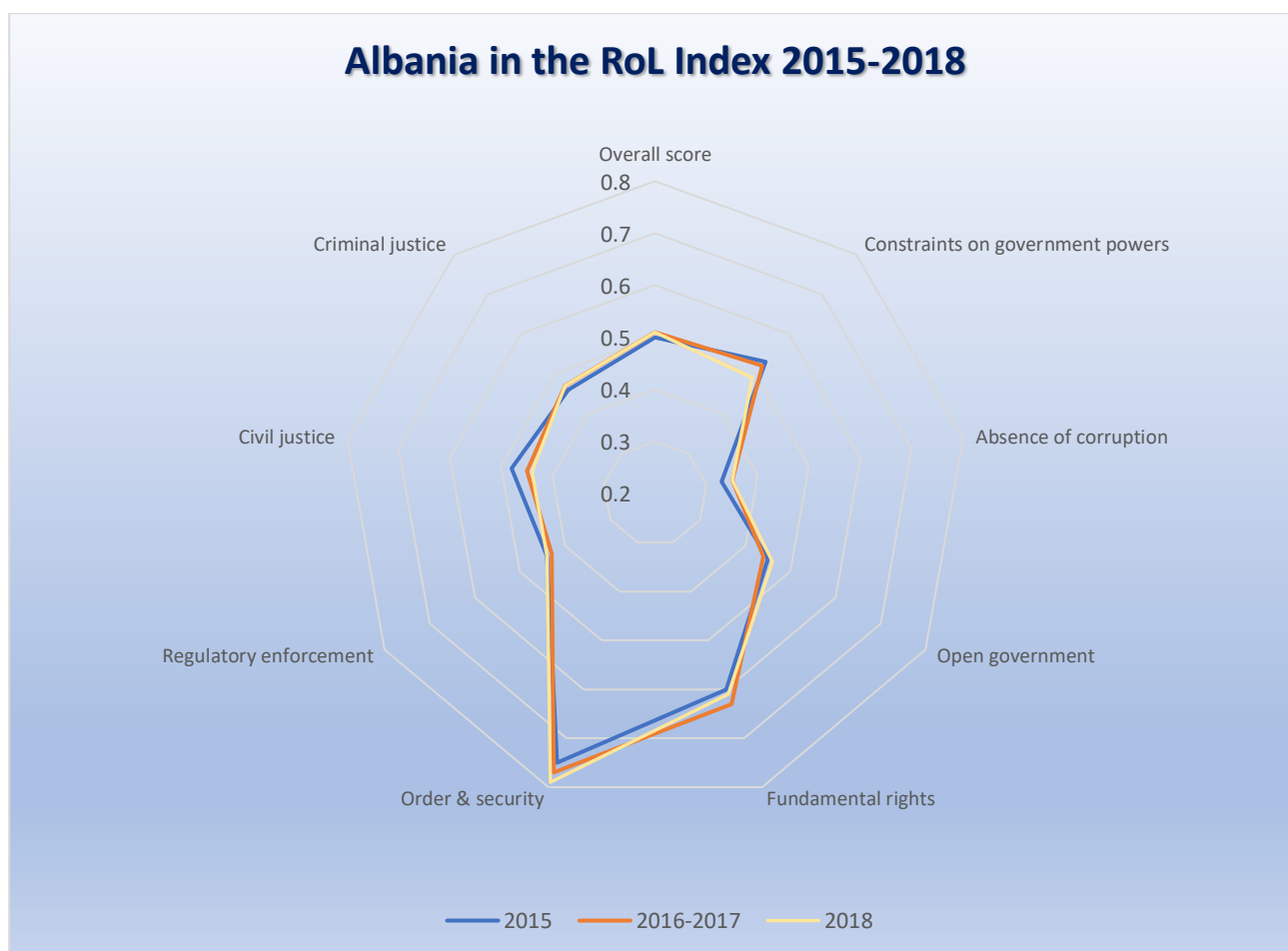


Chart 30 [Scores for year 2017 and 2018 are unified as one report has been published referring to this 2-year period]

As for the overall score, Albania registered a 0.51 in 2018 (ranking at position 71), consisting in a very unperceivable improvement from the 0.50 of year 2015 (position 72). Sectors where the country is showing worrying performances are “Constraints on government powers” and “Civil justice”, where a score deterioration has been detected – *Civil justice* worsened from a 2015 0.48 score, to the 0.44 of year 2018 and *Constraints on government powers* passed to a 0.49 from the previous (2015) 0.53-. Concerning subjects where Albania did improve, the only evident amelioration is in “Order and security” where Albania registered a 2018 0.79 from the 2015 0.75. With regard to the other subjects, improvements have been very feeble; for this reason, it is not possible to state that any clear amelioration has been achieved. Despite these shady results, in a period where democracy and RoL are under attack, Albania’s performance in the index is not that irrelevant, and even though improvements can be seen only by lenses, they make us believe that the country is doing better compared to other transition countries in the global context.

It is possible to notice how Albania is striving to improve its overall rule of law status. The same analysis is provided with reference to the remaining WB6, a comparison between them – except for Montenegro and Kosovo which are not assessed by the report – will help us define better which country is on track to ameliorate its rule of law and which one is on the contrary showing signs of slowing down in the rule of law implementation process. Chart 31 and 32 come with WB6 scores in the 2015-2018 timeframe.

## WB6 IN THE RULE OF LAW INDEX

■ Albania ■ Serbia ■ North Macedonia ■ Bosnia & Herzegovina

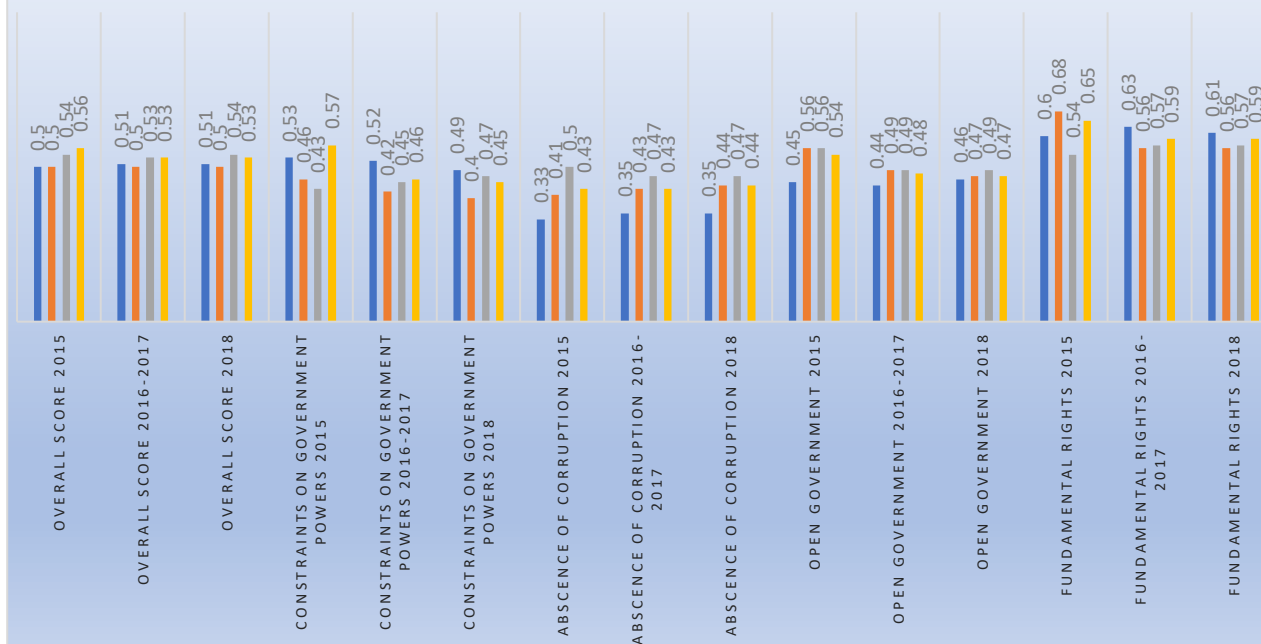


Chart 31 [Scores for Montenegro and Kosovo are not available]

## WB6 IN THE RULE OF LAW INDEX

■ Albania ■ Serbia ■ North Macedonia ■ Bosnia & Herzegovina

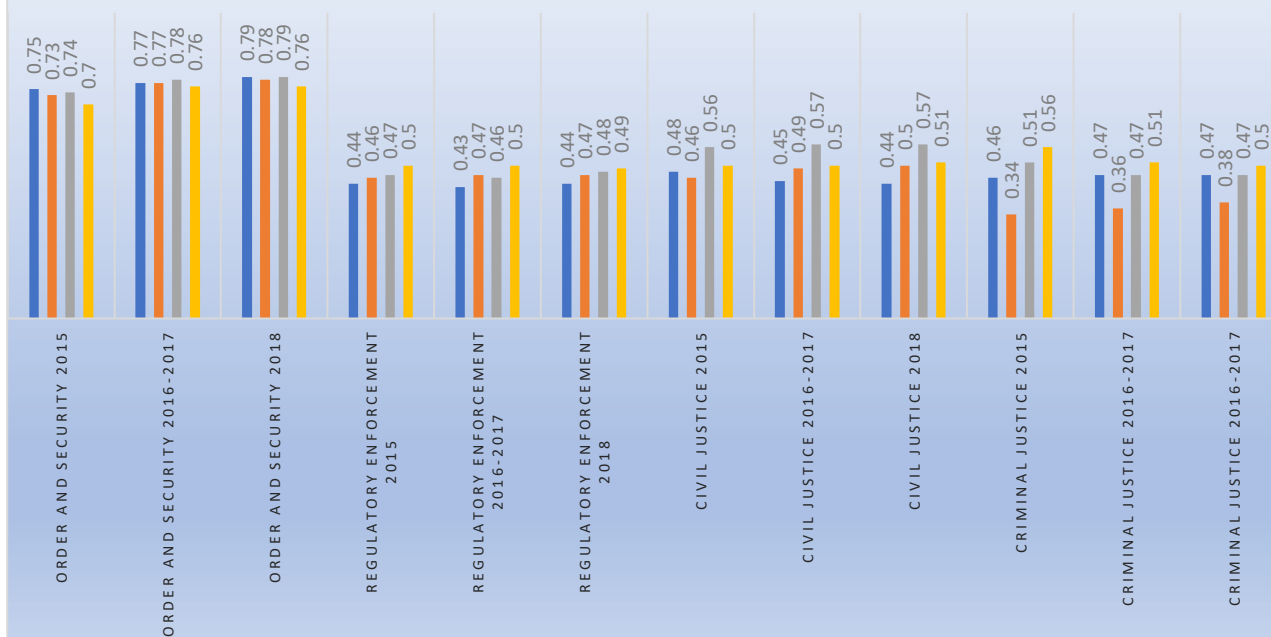


Chart 32 [Scores for Montenegro and Kosovo are not available]

According to the *World Justice Project* reports, in the period taken as base for our analysis, Albania is the only country to record an improvement in its overall RoL score, and while no change can be detected

for North Macedonia and Serbia, Bosnia & Herzegovina did worsen its rule of law passing from the 2015 overall score of 0.56 to a 0.53 in 2018.

The most worrying indicators are represented by “Constraints on government powers, “Open government” and “Fundamental rights” where a downward trend has been highlighted especially by Serbia and Bosnia & Herzegovina.

More efforts are requested to these countries for the realization of a comprehensive rule of law.

### 13. Corruption Perceptions

The “Corruption Perceptions Index” is an annual report published by the NGO *Transparency International* to assess world countries corruption levels. Corruption is defined by the CPI as a “misuse of public power for private benefit”. The ranking is based on perceptions over corruption levels as expressed by professionals and experts’ assessments and opinion surveys<sup>13</sup> across the world. Surveys and opinions are gathered through the work of several international institutions – *World Bank, World Economic Forum, African development Bank, World Justice Project, Freedom House* among the others –.

The 2018 report indicated the flawed condition of democracies – since 2006, 113 countries registered a democracy decline – as the main factor contributing to an increasing and global corruption trend. This year the index denoted an average global score of 43 out of 100, meaning that the world is perceived as corrupt – a 50 score is the watershed between a “corrupt” and a “clean” condition–; furthermore 2/3 of the countries assessed fall below the 50 score-line, the majority of them have shown little or no progress, while only 20 countries achieved significant improvements.

The CPI pointed at four main topics and countermeasures pursuable in order to decrease countries’ corruption levels: the strengthening of institutions; the promulgation of anti-corruption laws and the respective enforcement; empowerment of citizens to hold governments accountable for their deeds; protection of press freedom.

All these sensitive topics unveiled by the CPI appear to be of great importance for the countries of our interest and the forthcoming analysis will define whether Albania and the WB6 mirror the difficulties found by the CPI report.

According to the *Corruption Perceptions Index 2018* – which ranks 180 countries – Albania stands at position 99 with an overall and relatively poor score of 36. These results denote the hurdles the country is facing in framing and implementing effective regulations and laws preventing corruption to spread through the different levels of politics and society.

The 2018 score and position are consequences of a two-year deterioration referred to 2016 and 2017.

In chart 33 a comparison is given for Albania CPI profile for years 2012, 2013, 2014, 2015, 2016, 2017.

---

<sup>13</sup> Data collected by the CPI cover the following topics: bribery; diversion of public funds; use of public office for private gains; nepotism in the civil service; state capture. And when available: government’s ability to enforce integrity mechanism; effective prosecution of corrupt officials; red tape and excessive bureaucratic burden; existence of adequate laws on financial disclosure, conflict of interest prevention and access to information.

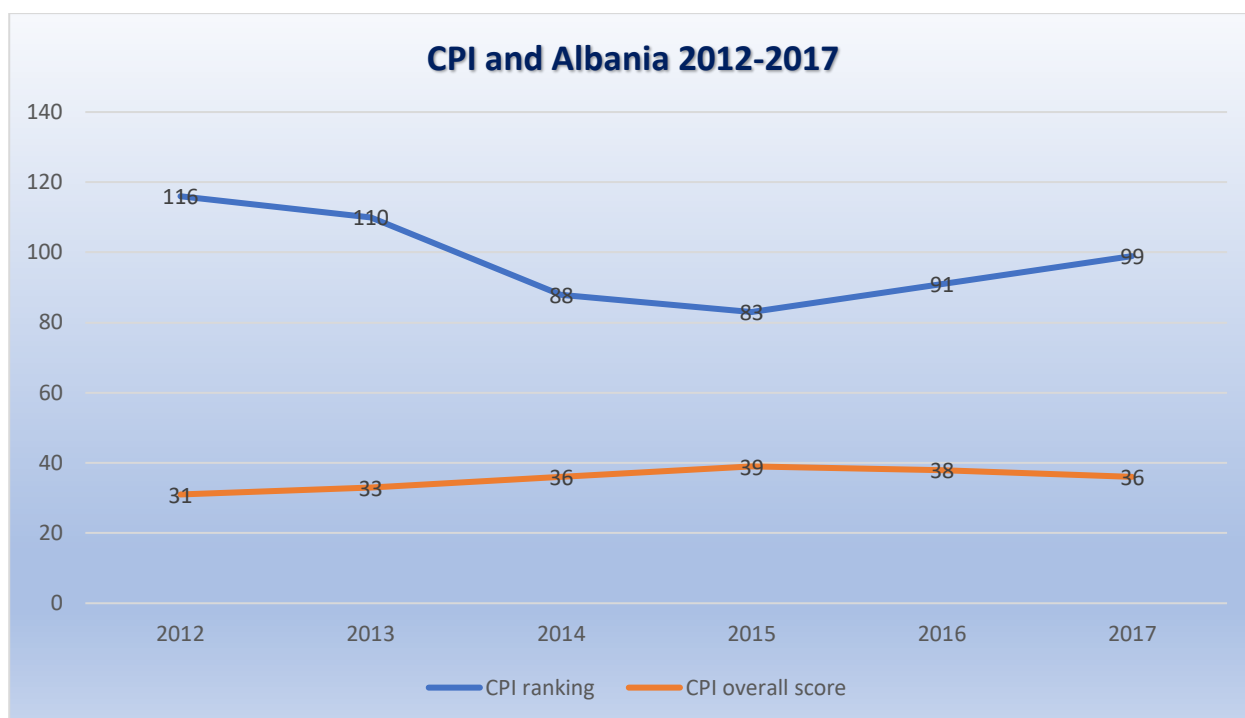


Chart 33

The scores and rankings' flow showed that Albania has improved significantly its corruption levels between 2012 and 2014, however, this trend could have not been confirmed in the following years, a period where Albania highlighted a slowdown and, comparing 2014 to 2017 score, no clear corruption amelioration.

Faced with demonstrations by civil society and opposition parties it appears clearly that corruption is perceived as one of the most impellent issues to be tackled by the Government, and recommendations coming from international organizations and EU bodies confirm that time has come for the country to get back on track to fight corruption.

In order to carry our analysis, the same time-lapse is taken into account. Chart 34 and 35 provide WB6 scores and rankings from year 2012 to year 2017.

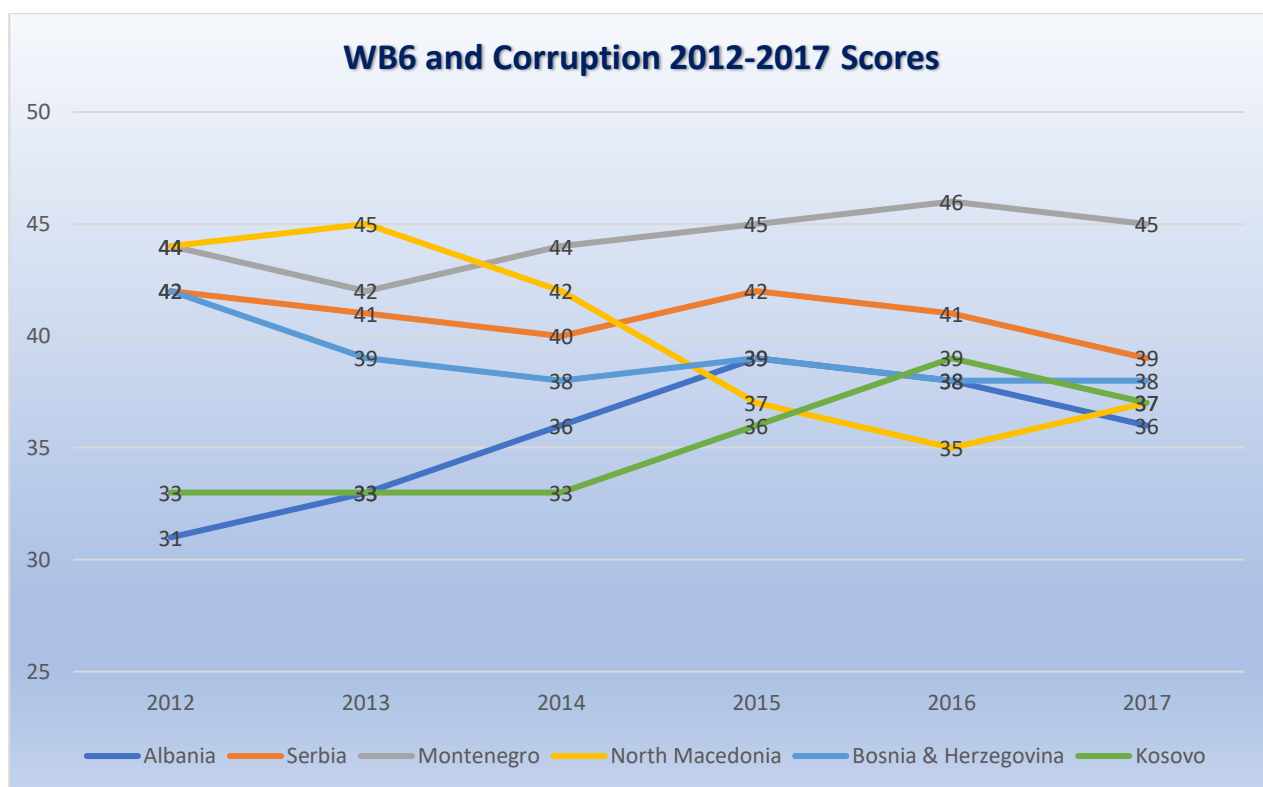


Chart 34

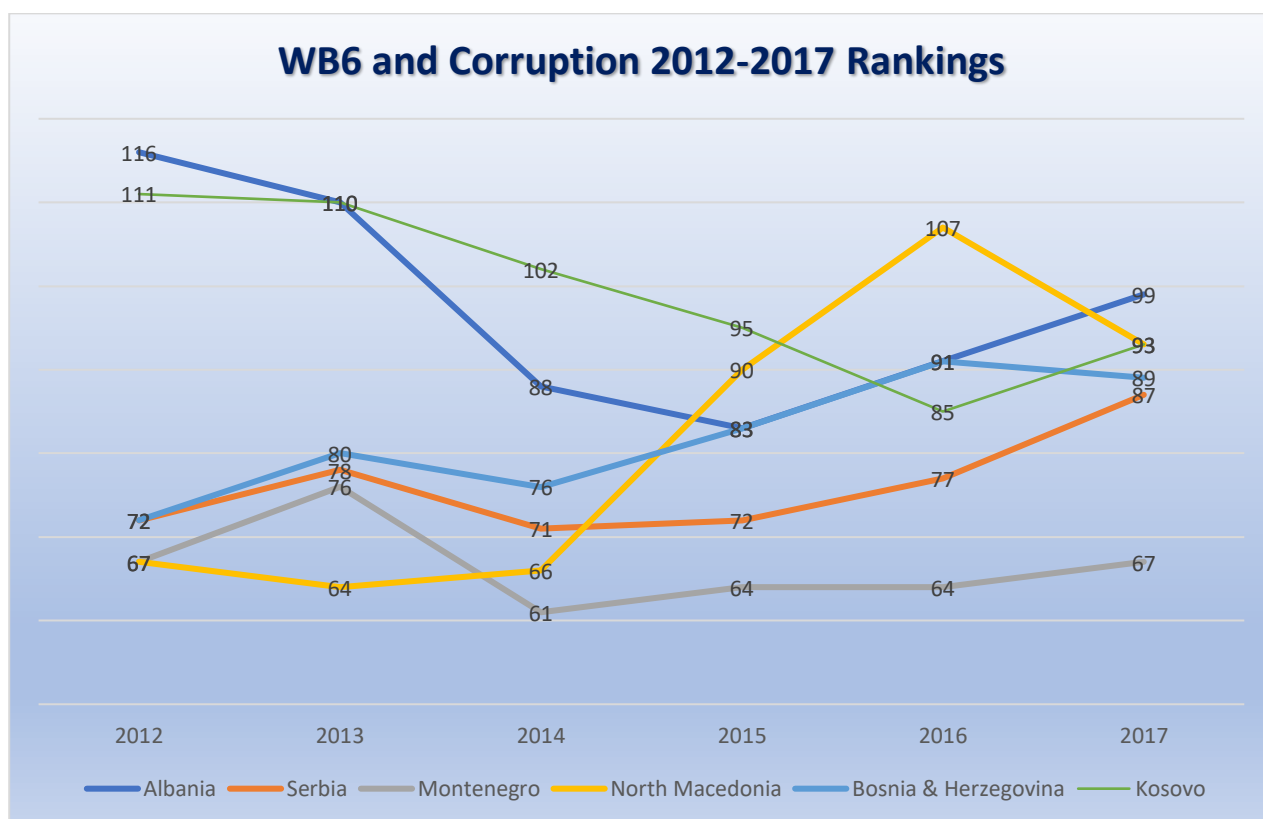


Chart 35

According to the 2012-2017 period analysis, no significant improvements have been achieved by the WB6. Taking into account the scores registered by these countries, only Montenegro and Kosovo have been capable of diminishing their corruption level, especially Kosovo which passed to a 2017 37 score from 33 in year 2012. Montenegro improved its condition by only 1 point (45 score in 2017 against a

44 in 2012). As reported by the CPI 2018, Albania currently is the most corrupted country within the chosen cluster.

With regard to corruption levels it appears clearly that Albania and the WB6 have a long path of fight against corruption and stronger regulatory framework and transparency culture are requested.

## 14. Human Trafficking

According to the Palermo Convention – “Protocol against the smuggling of migrants by land, air and sea, supplementing the United Nations convention against transnational organized crime” – trafficking in persons is “the recruitment, transportation transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation”.

Traffic of human beings is a crime depriving of dignity, an affront to basic human rights and a form of modern slavery. The categorization of this phenomenon doesn’t fall on a particular definition, because it has many facets. Trafficking can be carried by organized criminals, amateur traffickers, family members, acquaintances or strangers, and the victims of it could be children, adults, minorities, migrants, women. Methods used by traffickers are diverse and changing over time, making difficult for governments to trace it and prepare effective counteractions. At the roots of trafficking in persons there are economic reasons: trafficked humans can be coercively eradicated from their households and sold for several purposes – from informal labor and participation to conflicts, to sex or drug traffic and arms smuggling –. Even though this kind of illegal activity does have an important transnational feature – for which inter-agency and inter-governmental cooperation is fundamental –, according to the *International Labor Organization* “ILO”, the majority of traffic of human beings – 77% – does happen in the victims’ country of residence. For this reason, preparedness of national governments and their capacity to train and bring into the issue other institutional and social forces is crucial. Human trafficking has its general traits which appear to be common among many regions of the world, as well as some peculiarities that pertain to specific countries – e.g. in Cambodia, girls and women from rural areas leave their homes to work in tourist destination cities, ending in the network of sex trafficking –.

According to the *Trafficking in Persons* (TIP), many efforts have been deployed lately by the international community and the single national governments on transnational cases, but little focus has been put on national trafficking and governments must seek to strengthen their capacities and knowledges to counter it when trafficking does happen without crossing national borders. Improvements and a good degree of cooperation with NGOs are also required to better assist victims during their recovery from abuses and coercions, together with an increased knowledge of possible trafficker targets – e.g. it is normally deduced that sex trafficking involves girls and women, but little care it is given to the fact that boys could be involved too –.

The US Department of State’s *Trafficking in Persons Report 2019* is basically a narrative report, however a 4-tier classification – going from “fully meeting minimum standards for the elimination of trafficking” (tier 1) to “not fully meeting minimum standard and not making significant efforts for the elimination of trafficking” (tier 3) – is available for every evaluated country. In the following discussion, WB6 profiles in the TIP 2019 are provided with a description of their current status and the recommendations received to fight human trafficking.

Regionally talking, Europe has registered a clear decrease in people prosecuted and convicted and, at the same time, a surge in victims of trafficking in persons<sup>14</sup>. A total of 4 new laws or amended legislation have been promulgated in the last 3 years.

Albania is a “tier-2” country. Under the same category there are North Macedonia, Kosovo and Serbia. Montenegro and Bosnia & Herzegovina are “tier-2 watchlist” countries. According to the TIP 2019, no changes can be attributed to Albania tier – which was already a “tier-2” country in 2017. Being in this

---

<sup>14</sup> In year 2012 a total of 3,161 traffickers have been prosecuted – peak registered in 2015 (4,990) – and 1,818 convicted; in 2012 victims identified numbered in 11,905. In year 2018 the total number of victims’ identification amounted to 16,838.

category means that the Government of Albania doesn't fully meet minimum standards in the elimination of trafficking in persons, but it is carrying significant efforts in this field. Among the accomplishment accorded to the Albanian government, an updated mechanism for standard operating procedure (SOP) for victims' identification and referral and an institutionalized training for Border and Migration Police (BMP). Governments has also doubled the funds to the Office of the National Anti-trafficking Coordinator (ONAC) and adopted the 2018-2020 action plan – *the National Strategy against Trafficking of People and its Action Plan 2018-2020* –.

Anyways, Albania does not meet sufficient standards in some areas connected to human trafficking. The government lately has prosecuted, convicted and sentenced fewer and fewer cases, this led to the lowest levels of law enforcement in 4 years. Shortages have been individuated concerning the involvement of the government in the identification via mobile victims' identification units, in the compliance with victim-centered approaches to investigations and prosecutions and in the funding for NGO-run shelters. Government should carry on a more proactive identification and law enforcement-oriented action.

In 2018 Albanian State Police investigated 38 trafficking cases with 51 suspected persons – in 2017 an overall 69 cases with 80 suspects have been registered –. The Serious Crimes Prosecutor's Office prosecuted 2 cases with 6 defendants – in 2017 prosecuted 5 cases with 5 defendants –. 5 traffickers have been sentenced and convicted in 2018 (7 in 2017). Anti-trafficking trainings have been offered to 59 police officers, 53 judges, 119 district prosecutors and 3 Supreme Court inspectors. A lack of reporting activities by the government concerning public officials allegedly involved in trafficking has been highlighted by the TIP 2019.

Protection to victims continues to be carried by NGOs in cooperation with the government. In 2018 they have identified an absolute of 95 official and potential victims – 105 in 2017 –, of these, 28 adults, 67 children – 60 females and 35 males –. Authorities stated that 93 of the victims were potential and only 2 official, and at least 36 have been involved in sex trafficking, 25 in forced labor and 27 forced begging. Under the law services are provided for both potential and official victims. Despite a lack of financial support by the government and police participation in the activities, mobile identification units identified 51 potential victims – 26 in 2017 –. Rarely a prosecution has been initiated following the victim identification by the civil society, this is partly due to the differences between what constitutes trafficking for the Albanian State Police and civil society organizations.

The Border and Migration Police, despite the improvement of the Standard Operating Procedure, is falling short on migrants' identifications because of an increase in migration flows and a lack of officers and interpreters in the unit. Identifications are also weak concerning sex trafficking, forced labor – due to the insufficient skills of the Labor Inspectorates – and forced begging – particularly for children –.

Since 2013 TIP report (year 2012), when at the time it was standing in the "tier-2 watchlist (WL)" category, Albania is a "tier-2" country.

It can be assumed that being in the "tier-2" is not peculiarity of developing or transition countries, but it can also include developed ones – e.g. Germany and Denmark fall into tier-2 classification and, again from the EU-28, Romania and Hungary in tier-2 WL –. This gives us the global nature of the trafficking in persons issue. The WB6 stand in these two categories.

**Serbia:** is a "tier-2" country since 2017 – in year 2015 and 2016 "tier-2 WL" –. Serbia does not fully meet minimum standards for fighting against trafficking in persons. According to the TIP 2019, the government has demonstrated increasing efforts compared to previous periods, creating a trafficking task force, convicting more traffickers, opening – after a 5-year delay – the urgent reception center, and making its identification process more effective and reliable. However, flaws have been detected concerning the assignment of a clear mandate to the different governmental agencies working to contrast trafficking, a univocal and formal victims' identification procedure and an official standardized criterion for NGOs operations. In 2018 a total of 22 suspects have been investigated, 20 defendants prosecuted, and 19 traffickers convicted – in 2017 they amounted to 13, 24 and 13 respectively –. 76 victims have been identified by the government in 2018, meaning an increase from 2017 – 40 victims identified –.

**Montenegro:** since 2016 the country is a "tier-2 WL". The inability of the government to lift Montenegro back on the tier-2 is due to the fact that the country is not showing significant efforts compared to previous period. For the 5<sup>th</sup> consecutive year no trafficker has been convicted and no prosecution initiated. Furthermore, one potential victim has been penalized for not being able to

provide adequate identification. Despite these hurdles, a national anti-trafficking strategy for 2019-2024 has been issued and a multi-disciplinary task force for trafficking investigations instituted. The 2019-2024 plan, if implemented, should constitute a vigorous push to meet the minimum standards. Law enforcement investigated 4 cases (2 in 2017) and the government did not initiate any prosecution in 2018. Confusion between what is a sex trafficking case and other offences has been also highlighted by many experts.

**North Macedonia:** the country is now standing in the “tier-2” list – this condition degraded in 2015, prior to this year North Macedonia was a “tier-1” country –. Therefore, it does not fully meet minimum standards, but it is making significant efforts in eliminating human trafficking. Significant endeavors have been carried concerning the investigation, prosecution and conviction of traffickers, the increase of resources for victims’ protection and amendment of the penal code including non-punishment clauses for trafficking victims. Thanks to financing by international organizations and NGOs a special training has been offered to judges, judicial officers, prosecutors and border police officers. On the other side of the coin, North Macedonia is encountering several difficulties with regard to weak sentences issued by judges – below penalties sanctioned by the trafficking statute – and low public financial support to anti-trafficking NGOs which represent fundamental collaborators for the government. During 2018, the government investigated 13 suspects from 4 cases – 7 suspects and 2 cases in 2017 – and prosecuted 8 defendants from 3 cases – 4 defendants and 4 cases in 2017 –, while convicting 7 traffickers – 1 trafficker in 2017 –. The anti-trafficking unit is still focused heavily on smuggling rather than trafficking. The country signed collaboration agreements with Serbia, Kosovo and Montenegro for conducting joint investigations.

**Bosnia & Herzegovina:** the country is a “tier-2 WL” since 2016, right after improving again in year 2013 – tier-2 –. Bosnia & Herzegovina does not fully meet minimum standards, but it is making significant efforts, however, not being more than those of previous reporting period and preserving some weak conditions of its trafficking in persons. Bosnia & Herzegovina did fund NGOs for awareness campaigns, but law continues to investigate and prosecute traffickers under lesser offences. Stiffer penalties need to be sanctioned by the authorities and the anti-trafficking strike force, until now basically ineffective, must be strengthened. Poor victims’ identification, protection and victim-centered investigations must be improved and penalties to victims for crimes committed under trafficker coercion must be eased. In 2018 the State Prosecutor’s Office (SPO) and Federation Authorities did initiate 4 investigation – there were 10 investigations in 2017 – and indicted 11 defendants for organized trafficking crimes. 11 traffickers have been convicted in 2018 – same as 2017 –.

**Kosovo:** since year 2011 is a “tier-2” country, which means that is not fully meeting minimum standards but is making significant efforts in fighting trafficking in persons. Kosovo demonstrated consistent efforts revising the criminal code to reclassify some prostitution offences as trafficking, appointing a regional prosecution coordinator in Western Kosovo and carrying joint investigations and prosecutions, reducing arrears of the judiciary and emanating new sentence guidelines for the Supreme Court. However, during the years fewer traffickers have been investigated, prosecuted and convicted and fewer victims identified. Weak sentences are applied to convicted traffickers and NGOs-run shelters, due to fund shortages from the government, heavily rely on foreign donors. The criminal code has been modified to include in the prostitution offences as trafficking and to increase minimum penalties for child trafficking from 3 years to 5 years. In 2018 police arrested 22 suspects – 28 in 2017 –, the government prosecuted 34 persons for trafficking – 27 in 2017 – and courts convicted 9 traffickers – down from 29 of previous year –. Experts highlighted a lack of training for prosecutors and judges, resulting in weak sentences and cases downgraded to lesser offences. Cooperation with Albania worked well through joint investigations and 1 passive extradition to Albania. Information of 21 cases has been exchanged with foreign authorities.

## 15. Inclusive Development

According to *World Economic Forum*, *Inclusive growth* can be thought of “as a strategy to increase the extent to which the economy’s top-line performance is translated into the bottom-line result society is seeking, i.e., broad-based expansion of economic opportunity and prosperity”.

In addition, in the words of WEF, inclusive growth is more than that. “An economy is not a business, and history and scholarship have shown that there is a feedback loop between the bottom- and top-lines (growth and equity) in a national economy. This feedback loop can run in either a positive or a negative direction. The extent to which it is a virtuous circle is influenced by a diverse mix of structural and institutional aspects of economic policy, going well beyond the two areas most commonly featured in discussions about inequality: education and redistribution”.

The *Inclusive Growth and Development Index* is the tool designed by the *World Economic Forum* to assess levels of inclusiveness reached by world countries. The report is based on the analysis of a set of socioeconomic, political and institutional pillars<sup>15</sup> – in turn subdivided in 15 indicators – which generate a composite score. Disaggregated indicators fall under 3 main sectors (or national key performance indicators) – “Growth”, “Inclusion” and “Intergenerational equity”. Scores range from a minimum of 0 – least inclusive – up to a maximum of 7 – most inclusive –. The country assessment is accompanied by a 5-year trend analysis. The report ranks world economies according to two different clusters – “Advanced economies” and “Emerging economies”.

Next, Albania profile according to the 2018 *Inclusive Development Index* is displayed. Please note that as the 2018 index has an update-like purpose, only the overall score has been measured, this implies that, unlike the 2017 report, disaggregated scores for the 7 pillars and 3 main domains have not been provided. For this reason, in this chapter, a time analysis of the comprehensive score of Albania and the WB6 updated to year 2017 – referring to 2018 *Inclusive Growth and Development Index* – is provided, beside another one comparing disaggregated scores referring to the 7 pillars over the chosen period up to year 2016.

According to the 2018 *Inclusive Development Index* Albania totaled a comprehensive inclusiveness score of 4.08 – ranking 28<sup>th</sup> out of 74 “emerging countries”. This result represents an improvement from the 2017 inclusiveness score of 0.42 – position 38<sup>th</sup> out of 78 countries –. Chart 36 displays inclusiveness comprehensive score from year 2015 to year 2017 and from year 2014 to year 2016 for the pillars.

---

<sup>15</sup> “*Inclusive Growth and Development Report*” pillars are: I. Education and skills (“Access”, “Quality” and “Equity”); II. Basic services and infrastructure (“Basic and digital” and “Health”); III. Corruption and rents (“Business and political ethics” and “Concentration of rent”); IV. Financial intermediation of real economy investments (“Financial system inclusion” and “Intermediation of business investment”); V. Asset building and entrepreneurship (“Small business ownership” and “Home and financial asset ownership”); VI. Employment and labor compensation (“Productive employment” and “Wage and non-wage compensation”); VII. Fiscal transfer (“Tax code” and “Social protection”).

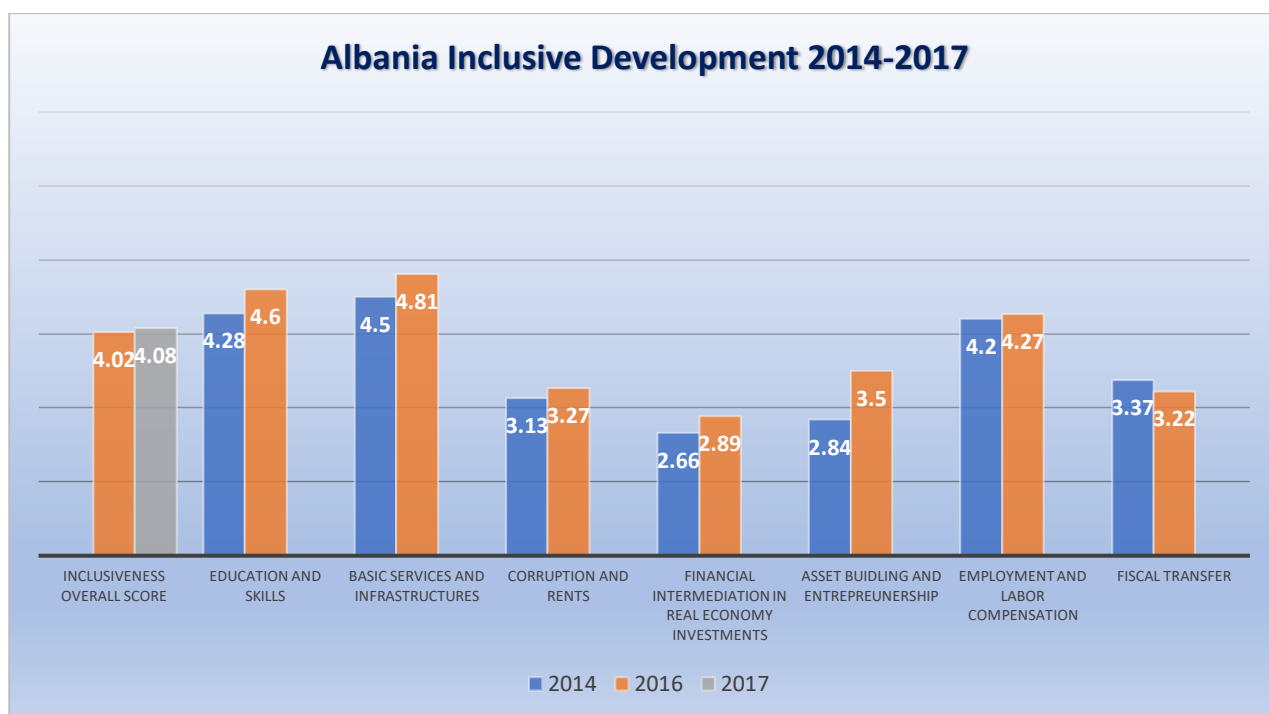


Chart 36 [2015 scores are not available as no index has been issued in 2016 and overall score is not available for year 2014]

According to chart 36 Albania progressed in every inclusiveness pillar except for “Fiscal transfer” where condition worsened especially due to the wasting away of “Tax code” sub-indicator which passed from the 3.5 of year 2014 to the 3.24 of year 2016. Significant ameliorations have been achieved in “Education and skills” – especially “Access” and “Quality” moving respectively from the 4.9 and 3.8 (2014) to the 5.45 and 4.28 (2016) –, and “Asset building and entrepreneurship”, in this case there is a slight worsening of “Small business ownership” which in 2014 was 4 and in 2016 3.9, balanced by a considerable improvement of “Home and financial asset ownership” – from 1.7 (2014) to 3.1 (2016) –.

Inclusiveness is for Albania, as for many other “emerging countries”, a chapter to be tackled with decision and readiness. However, given the reliability of the *Inclusive Growth and Development Report* the country does seem to be on track to at least counter the effect of an often-unequal global economy.

As no analysis does exist for Montenegro, Bosnia & Herzegovina and Kosovo, only scores for Serbia and North Macedonia will be provided via two charts: 37 showing Serbia profile and 38 for North Macedonia.

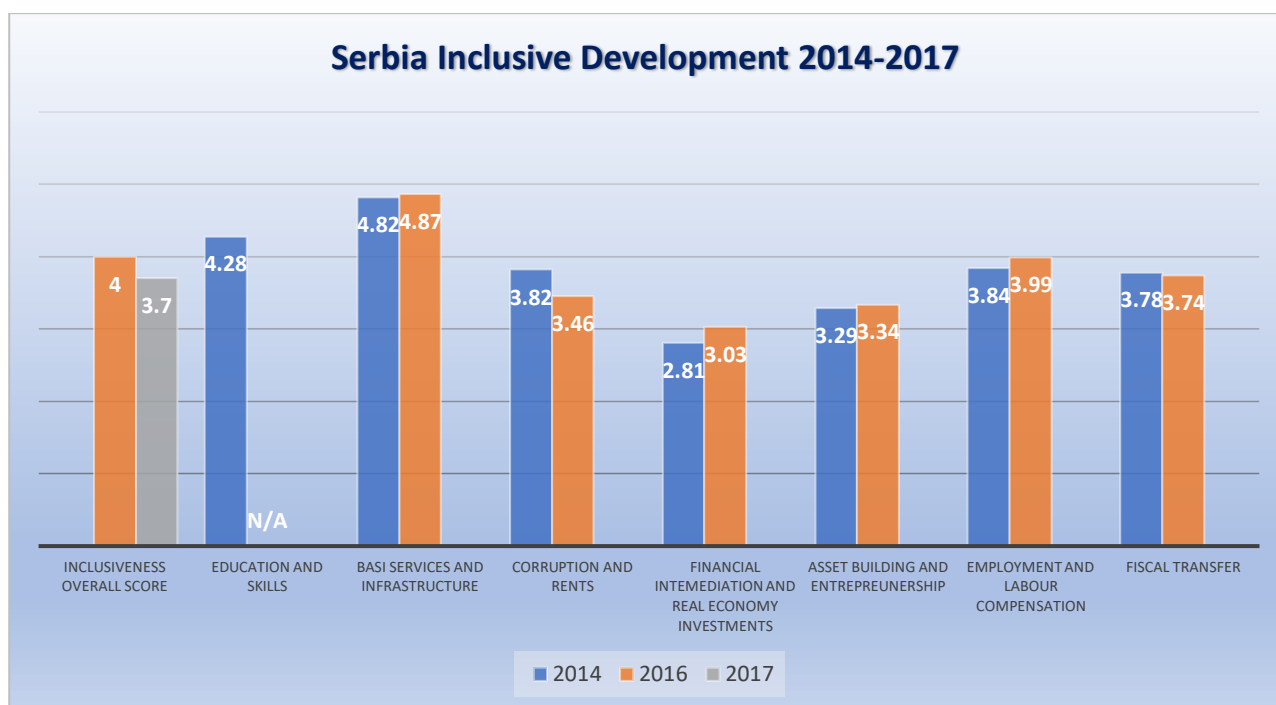


Chart 37 [Serbia score for “Education and Skills” pillar for year 2016 is not available]

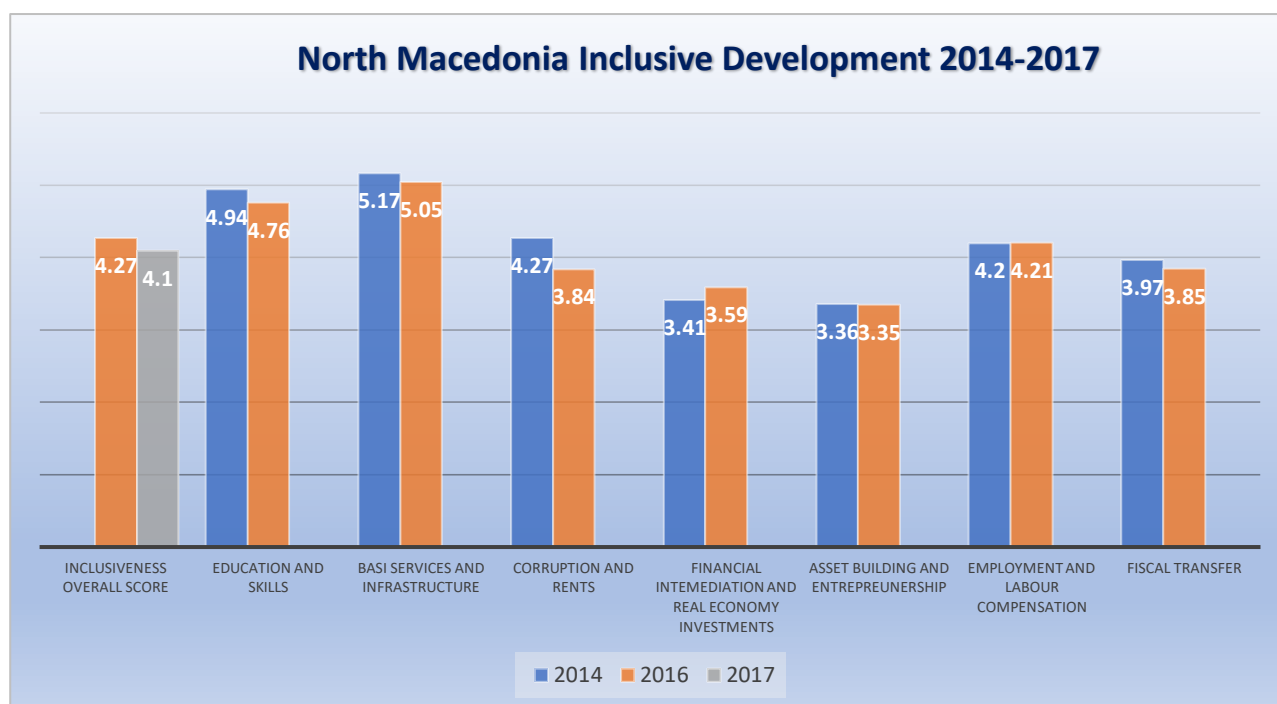


Chart 38

According to the 2018 *Inclusive Growth and Development Index* North Macedonia is the best performing country out of our group of 3 – ranking 25<sup>th</sup> (emerging economies ranking) with a score of 4.1 –. In spite of its aggregate results, the country is facing a downward trend with regard to its comprehensive score and several pillars. Particularly worrying it's the decay registered in the pillars “Corruption and rents” – particularly the sub-indicator “Business and politic ethics” where North Macedonia highlighted a deterioration of 0.59, from the 2014 4.40 to the 3.81 of year 2016 –, “Education and skills” where a worsening has been registered for all the sub-indicators – “Access”, “Quality” and “Equity” – and “Fiscal transfer” – where the decrease is due to the 3.59 “Tax code” score (2016) from the previous 3.8 (2014) –.

Situation for Serbia is even worse. The country passed from an inclusiveness score of 4 (2016) to the 3.7 of year 2017; like for North Macedonia, the most worrying trend has been detected with regard to “Corruption and rents” – especially “Concentration of rents” sub-indicator which in 2014 was at 4.6 and in 2016 recorded a score of 3.93 –. Beside these considerations, aggregate scores for the WB6 analyzed by the WEF push us to state that the only country demonstrating a clear amelioration of its inclusiveness status is Albania. Serbia and North Macedonia are under watch, mentioning with particular attention their evident deterioration of the “Corruption and rents” results.

## 16. Global Gender Gap Report

Gender gap and the increase of women inclusion rates in the education, society, labor market and politics is of great importance for an equal and full socioeconomic development. The more women are included in the social and economic network of a country the more the human capital will reach its maximum exploitation.

Gender pay gap is among the most impellent and actual issue connected to the broader gender topic and it is regarded as one of the main factors retaining a full economic growth. According to Standard and Poor’s, if women participation rate in the labor market reached level of men participation, the economic growth would be larger of several percentage points<sup>16</sup>.

From a political perspective, women presence in decision-making positions is a guarantee of a more stable and equal national community. Especially in developing countries, a strong women presence in parliaments and governments represents higher possibilities for laws on sexual harassment, gender and domestic violence and divorce to be promulgated, so producing fertile ground for more peaceful communities. Furthermore, with a particular mention of territories and regions affected by conflict, women political presence consolidation is likely to render peace-building processes more effective and lasting in time. Despite proofs that women participation in peace process is bounteous, an analysis by the University of Edinburgh on 1,500 peace and political agreements between 1990 and 2016 found out that only 25 agreements discussed the role of women in the implementation process.

For these reasons, the evaluation and the assessment of gender equality initiatives and women capital embedment in the society in which they live is continuously gaining significance.

The *Global Gender Gap Report* by the *World Economic Forum* “benchmarks national gender gaps on economic, education, health and political criteria, and provides country rankings that allow for effective comparisons across regions and income groups. The rankings are designed to create global awareness of the challenges posed by gender gaps and the opportunities created by reducing them”. The report assessed gender gap in 149 countries.

Last year the *2017 Global Gender Gap Report* highlighted an astonishing situation concerning Albania – the country ranked at position 38<sup>th</sup> out of 144 countries evaluated, with an overall score of 0.728 where 1 means full gender parity –.

In analyzing the 2018 report the chance to evaluate Albania behavior in the period from year 2013 to year 2017 will be seized. Considering the excellent position held by the country, it appears interesting to look at how improvements consolidated over time. Chart 39 depicts this purpose.

---

<sup>16</sup> According to data shown at the 2019 World Economic Forum’s Davos summit the economic increase with an equal men-women labor participation rate would be of 8.7% for the US, 14% for France and 17% for Japan.

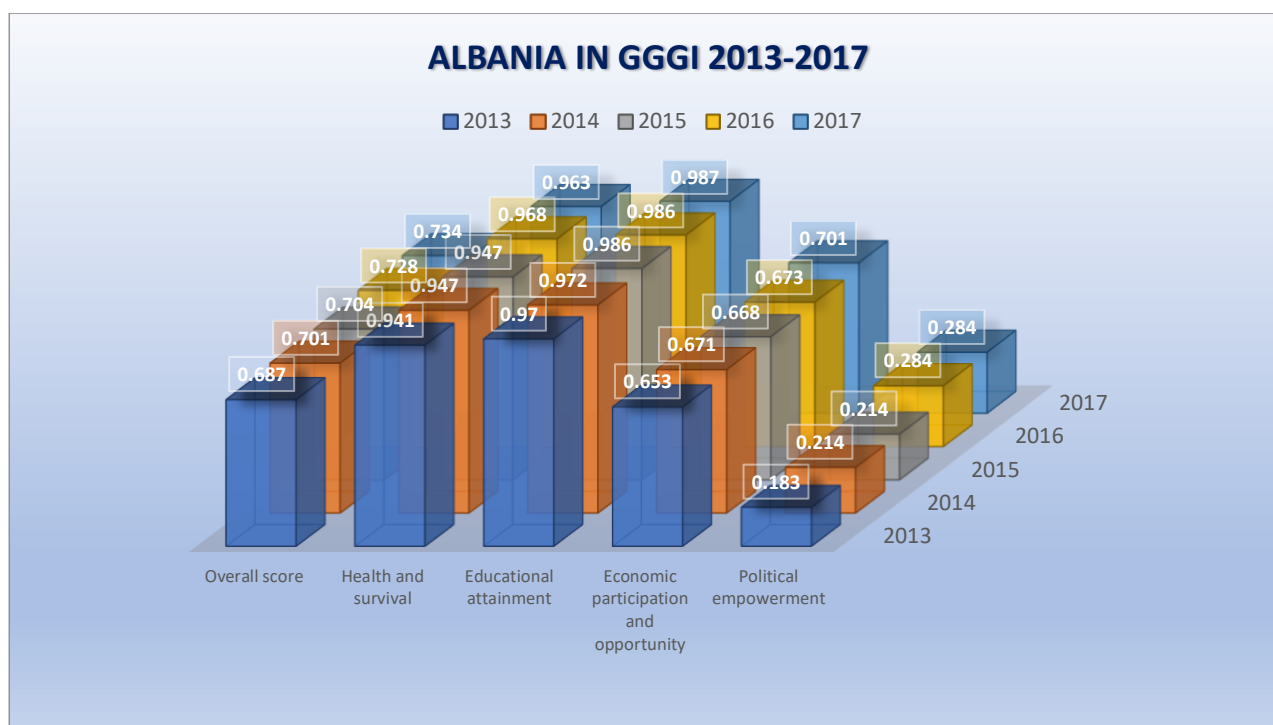


Chart 39

According to the 2013-2017 analysis of the *Global Gender Gap Index* Albania has shown a steady improvement of its overall score reaching in the 2018 report a 0.734 score – thanks to this performance the country is currently at position 34<sup>th</sup> in the global ranking –. Although some weakness appears in categories such as “Economic participation and opportunities” and particularly in “Political empowerment”, the country is unique among the Western Balkans (the WB6 will be covered consequently). Despite low scores in these two indicators, exiting the realm of absolute numbers, reality looks quite different. In fact, it is in “Economic participation” and “Political empowerment” that the country, compared to the broader global context, discloses its best performances. Referring to these

domains Albania ranks 54<sup>th</sup> and 34<sup>th</sup> respectively – average score for “Economic participation and opportunity” is 0.586 while for “Political empowerment” is 0.223 –.

This means that the world averaged higher scores with regards to “Education attainment” and “Health and survival”; it is not by case that in spite of its high scores, Albania is slightly above world average – which is 0.949 for the first and 0.955 for the second –.

Concerning sub-indicators<sup>17</sup> analyzed by the report, the country is outperforming in “Wage equality for similar work”, “Professional and technical workers”, “Enrolment in tertiary education” and “Women in ministerial positions”, for which Albania ranks at 5<sup>th</sup>, 1<sup>st</sup>, 1<sup>st</sup> and 10<sup>th</sup> respectively.

What can be stated from Albania profile’s analysis in the GGGR is that Albania is among the countries that are progressively reaching a gender parity and represents an example for the Balkans region.

In the following lines an analysis of gender gap for the remaining WB6 is provided. Period taken into account is 2013-2017. Two charts (40 and 41) will assist the reader in disclosing WB6 profiles within the *Global Gender Gap Report*. Kosovo is not included as not evaluated by the report.

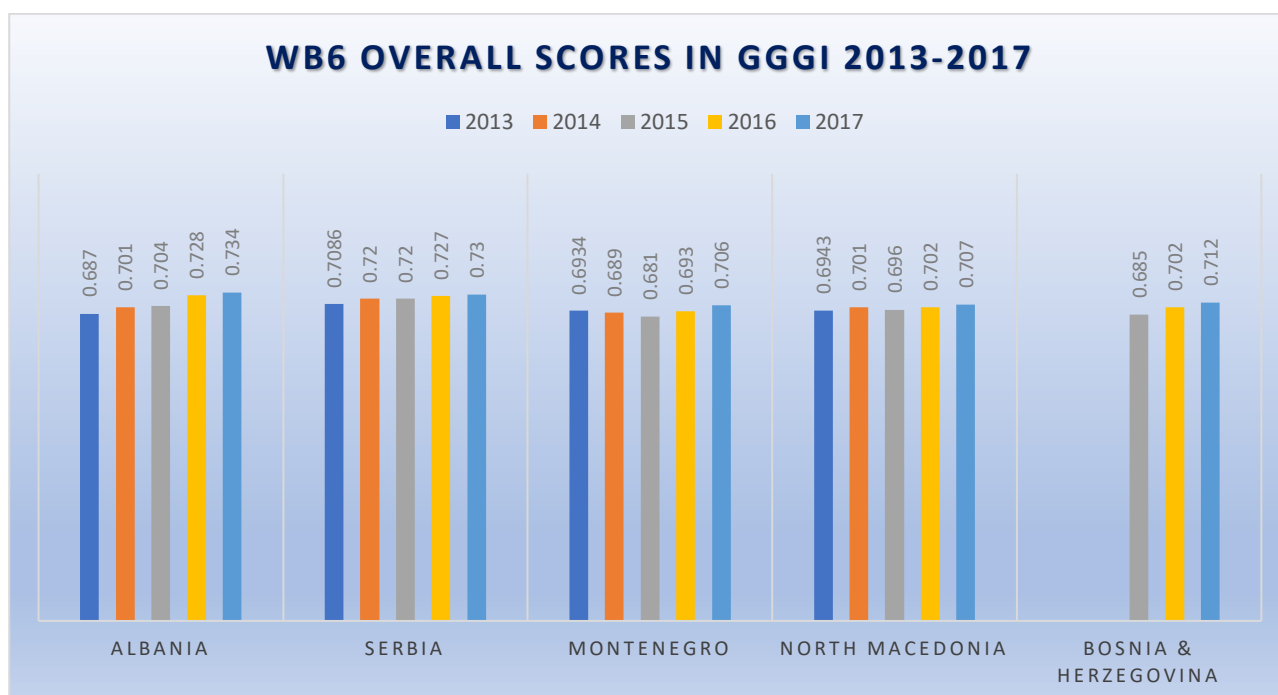


Chart 40 [Bosnia & Herzegovina scores for year 2013 and 2014 are not available]

<sup>17</sup> GGGI Sub-indicators are: “Labor force participation”, “Wage equality for similar work”, “Estimated earned income”, “Legislators, senior officials and managers”, “Professional and technical workers” in the “Economic participation and opportunity” category; “Literacy rate”, “Enrolment in primary education”, “Enrolment in secondary education”, “Enrolment in tertiary education” for the “Educational attainment” category; “Sex ratio at birth” and “Healthy life expectancy” for the “Health and survival” domain; “Women in parliament”, “Women in ministerial positions”, “Years with female head of state” for the “Political empowerment” area.

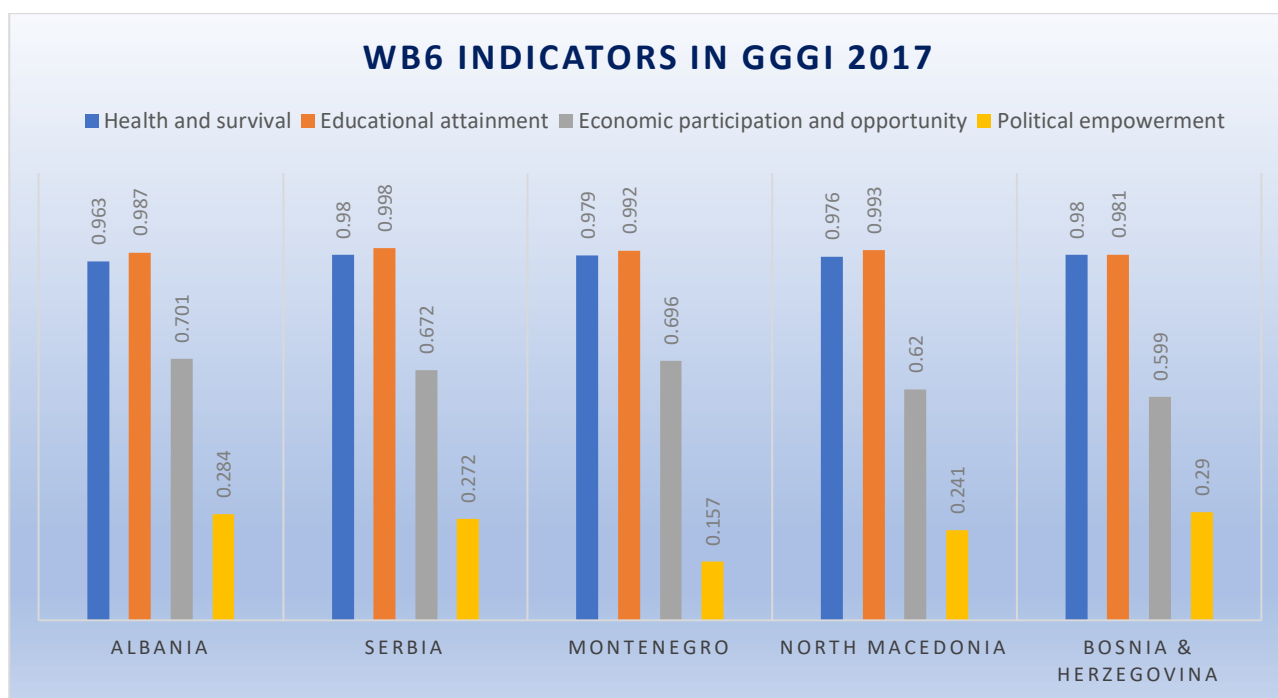


Chart 41

According to this *Global Gender Gap Index*, all the countries from our cluster improved their condition, for some the amelioration is more evident and for others a little insubstantial. It must be acknowledged that Albania, in the period taken as a base for the analysis, is the country showing the most important change (+0.47) and the best positioned in the ranking – Serbia is 38<sup>th</sup>, Montenegro 69<sup>th</sup>, North Macedonia 66<sup>th</sup> and Bosnia 62<sup>nd</sup> –. Generally speaking, except for Montenegro, WB6 perform very well in the “Political empowerment” domain – they are included in the first 45 countries –; however, major changes for better must be pursued in the “Economic participation and opportunity” domain, where the best positioned country is Albania at 54 and “Educational attainment” where the best performing WB6 member is Serbia at position 51.

Concluding, progressive and steady WB6 improvements in the gender parity realm make us aware of a region that is embedding in its social system the right actions to fully involve women in the socioeconomic development.

## 17. Environment and Climate Change

Environmental issues may be considered as the ultimate frontier for political and social coherent action. Scientists warned the international communities in several occasions of the many problems coming together with the supposed augmentation of global temperatures of 2 degree Celsius above pre-industrial levels, and it appears, as highlighted for example during the last “Conference on Climate Change” – *COP 24* – held in Katowice, that time for humanity to stop or detain climate change impacts is running out – according to the last studies temperatures are on their way to raise up to 3-5 degrees at the end of the century–. During the *COP 24* session agreements made during the 2015 Paris Conference – *COP 21*<sup>18</sup> – have been rendered operative.

Less developed and developing countries are those particularly exposed to extreme climate events and for them resilient and adaptability planning is fundamental – less developed countries have 10 times more chances of being afflicted by extreme climate events –. The Balkans make no exception. The

<sup>18</sup> “Paris Agreement”– ratified by 186 countries and signed by 195 – among the aims of the agreement are: to reduce global temperature, holding its increase to no more than 2 degrees Celsius; to augment adaptability to environmental events and foster climate change resilience, as well as reducing greenhouse gas emissions; to increase financial flows for climate-resilient development.

WB6, considering their EU-integration process, are at a turning point in their economic, social and political framework. National policies, due to their industrialization process, need to address a significantly changing way of consumption and pursue a sustainable output model. Consumption and production patterns will be highly demanding and for this reason effective policies should be implemented concerning management of resources and waste, urbanization, use of coastal areas, land and forest, biodiversity, clean-sources energy supply and so on.

A lot of studies exist investigating climate change related issues and providing global solutions, but very few assess and rank country efforts on this matter. The *ND-GAIN* is one of those report evaluating countries according to the initiatives undertaken to adapt and be resilient to climate change.

The Global Adaption Initiative (ND-GAIN), launched by the University of Notre Dame (Indiana, USA) is “a research effort designed to enhance the world understanding of the concept of adaptation to climate change”. It “summarizes a country's vulnerability to climate change and other global challenges in combination with its readiness to improve resilience. It aims to help governments, businesses and communities better prioritize investments for a more efficient response to the immediate global challenges ahead”.

The adaptation examined by the initiative follows two main indicators: I. *Risk mitigation* (vulnerability); II. *Opportunities exploration* (readiness). The country index uses 20 years of available data among a total of 45 indicators and ranks 181 countries. Assigned scores range from 0 (least likely to adapt) to 100 (most likely to adapt) while indicators fall under 2 main subjects – *Vulnerability* and *Readiness* – and 9 sectors – Food; Water; Health; Ecosystem service; Human habitat; Infrastructure; Economic; Governance; Social readiness – in turn divided into 45 sub-indicators. Sub-indicators are calculated on a 0-1 scale. While 0 represents the best score possible under “Vulnerability”-related indicators, 1 represents the maximum result for “Readiness”-related indicators.

According to the 2019 update of the *ND-GAIN* – scores and results referring to year 2017 – Albania ranks 78<sup>th</sup> with a comprehensive score of 50.6. The country lost one position in the global ranking<sup>19</sup> and registered a deterioration of the adaptability score of 0.12 – it was 50.74 in 2016 against the 50.62 of year 2017. However, despite having adaptative challenges still to be faced, the country is well positioned to adapt. It is, in the words of the *ND-GAIN* profile analysis “the 91<sup>st</sup> least vulnerable country and 75<sup>th</sup> most ready country”.

In chart 42 – comprehensive and “Readiness” and “Vulnerability” scores and 43 – “Readiness” and “Vulnerability” sectors – an analysis of Albania adaptability status is provided together with a coverage of the 2013-2017 period.

---

<sup>19</sup> Scores and rankings of the “ND-GAIN”, even those referring to previous years, have been adjusted due to a more reliable set of data. For this reason, they may diverge from data appearing in the “Albania in the Eyes of the World 2018”.

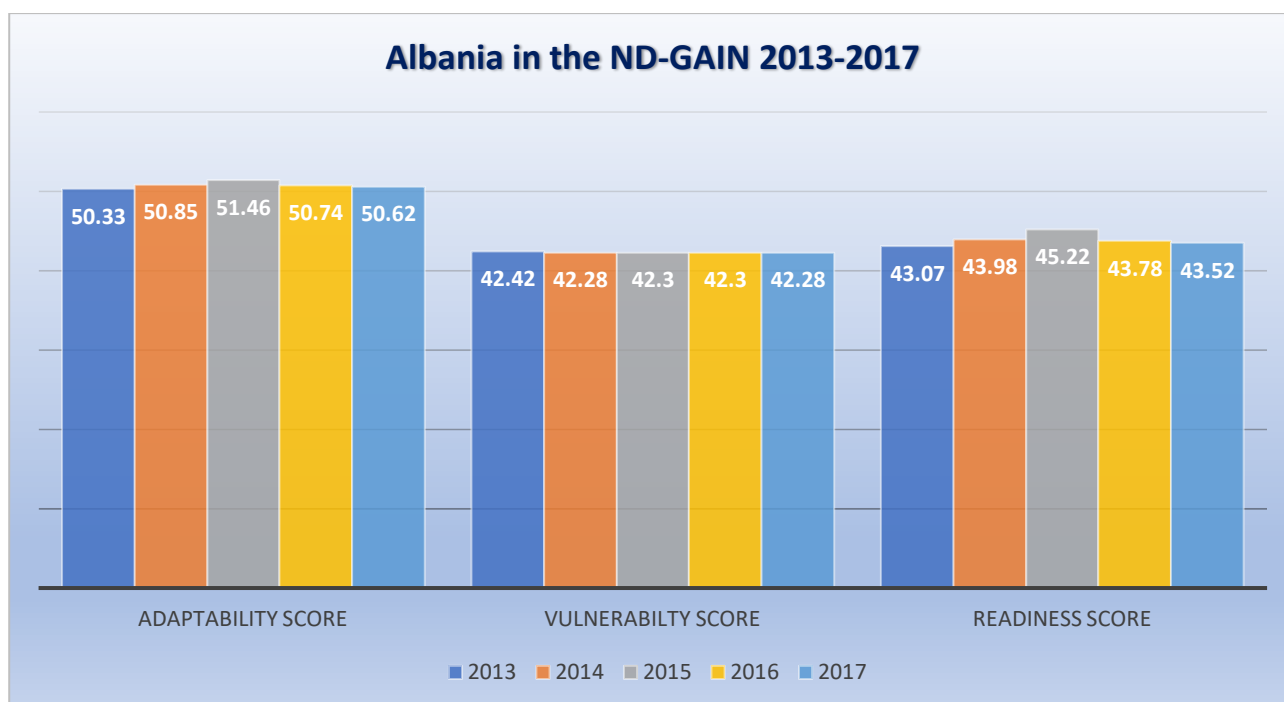


Chart 42 [“Vulnerability” and “Readiness” scores, as extracted from the working data of the “ND-GAIN”, are adapted to the comprehensive score which is calculated on a whole number/decimal basis; normally you may find in the “ND-GAIN” site “Vulnerability” and “Readiness” calculated merely on a decimal basis – so the 42.28 of 2017 vulnerability is 0.423 –.]

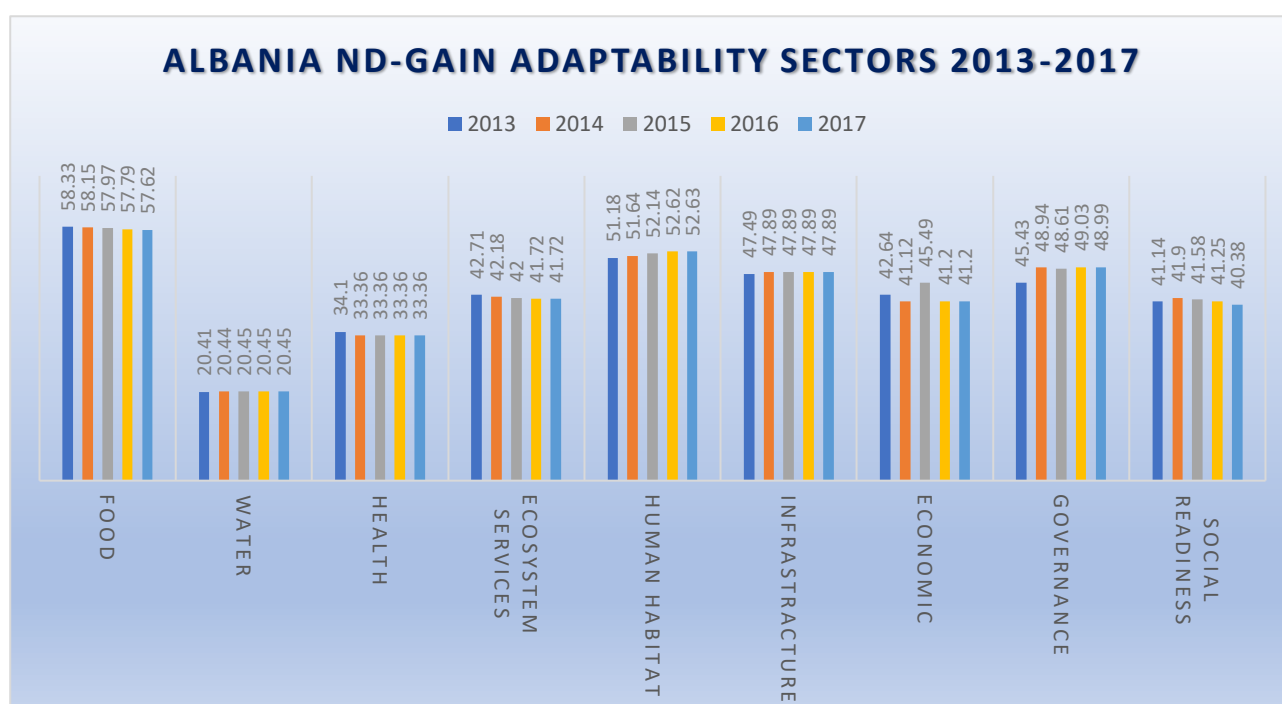


Chart 43 [same way as the previous chart, scores are adapted on a whole number/decimal basis. Sectors from “Food” to “Infrastructures”, which refer to “Vulnerability”, best perform when relative scores tend downward.]

As deductible by data extracted from the *ND-GAIN*, Albania has improved in every aspect of the index, particularly with reference to “Readiness”. Despite these changes, comparing recent performances with those of the other countries, one can find Albania losing 10 positions in only 2 years – in 2015 it was ranking 68<sup>th</sup> –. In addition, some indicators, out of the 9 sectors covered, show vulnerable conditions; among these indicators there are, in the “Vulnerability” realm, “Dependency on imported energy”, “Quality of trade and transports infrastructure”, “Food import dependency” “Agriculture capacity” and “Engagement in international environmental conventions” – with respective scores of 0.724, 0.774,

0.818, 0.944 and 0.793 – and, in the “Readiness” area, “Innovation” and “Control of corruption” with a 0.032 and 0.332 score.

Albania, as data from the *ND-GAIN Index* have shown, is appearing in a good light in the process of making itself a sustainable and resilient country, however decisive efforts are required by the government and civil society in order to not lose the pace of climate change. Furthermore, and thinking in the short-term, environmental and sustainability are cross-cutting issues politically connected to the EU-accession process and the *Acquis Communautaire*<sup>20</sup>.

In the forthcoming discourse, the climate “adaptability” profiles of the remaining countries of our selected cluster – except for Kosovo which is not assessed by *ND-GAIN* – are scrutinized. Chart 44 and 45 are provided with comprehensive, “Vulnerability” and “Readiness” scores over the 2013-2017 period. Unlike analysis given for Albania, significant sectors will be discussed separately.

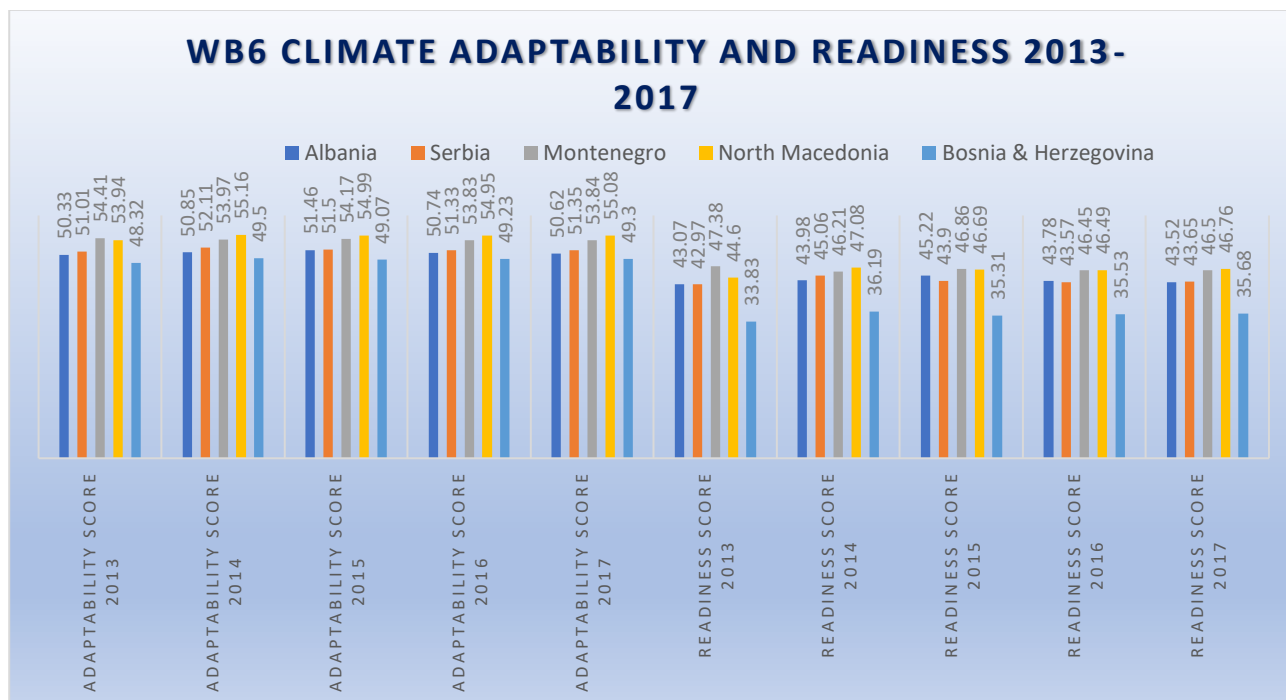


Chart 44

<sup>20</sup> *Acquis Communautaire* is a set of 31 or 35 chapter, according to the country status, which are legislative, legal acts and court decisions that constitute the body of the European Law and that state members and candidate countries must adopt guaranteeing a certain standard. Candidate countries performances are evaluated and categorized under 9 levels: “Totally incompatible”, “Early stage/very hard to adopt”, “Considerable efforts needed”, “Some level of preparation”, “Further efforts needed”, “Moderately prepared”, “No major difficulties expected”, “Good level of preparation”, “Well prepared/well advanced”.

With regard to Albania’s chapters connected to environmental facts, “Agriculture and rural development” (chapter 11), “Food safety, veterinary and phytosanitary policy” (chapter 12), and “Environment and climate change” (chapter 27) all fall under the “With some level of preparation” category while “Fisheries” (chapter 13) under “Early stage” classification.

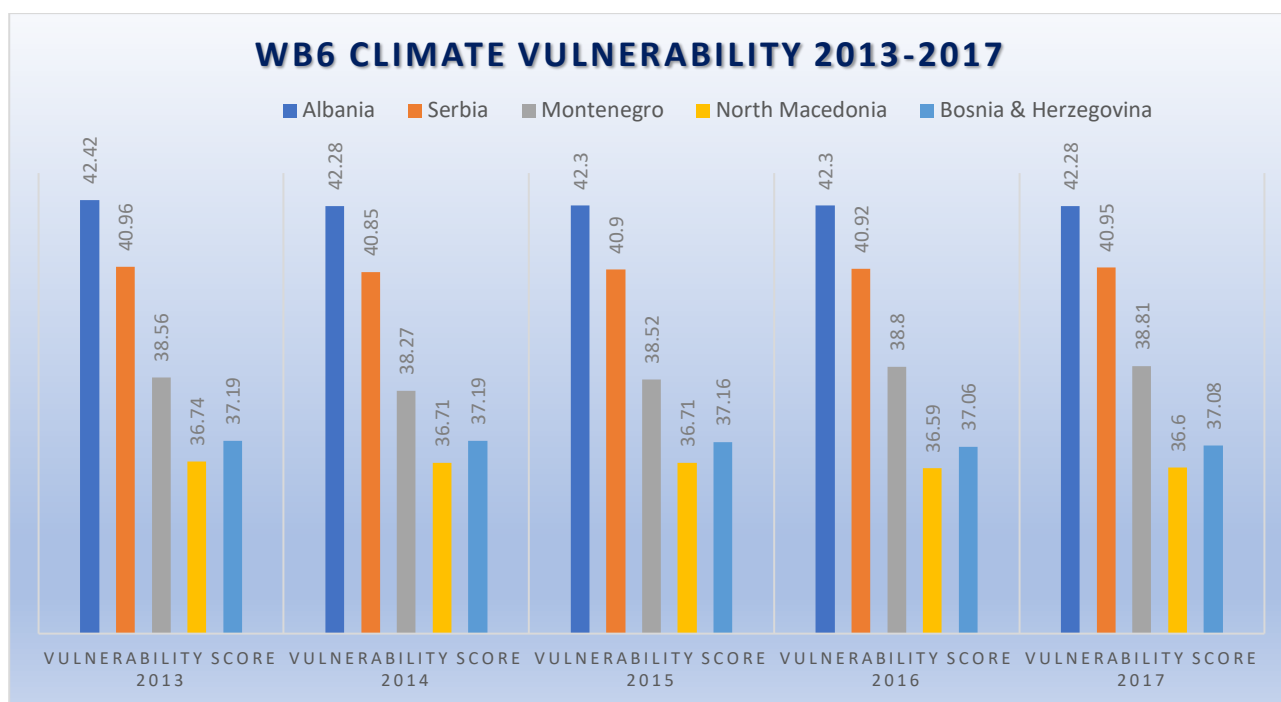


Chart 45

Comprehensive scores for the WB6 highlight an interesting factor: the entire group ranks within the first 90 countries – first half of the ranking –, with Bosnia & Herzegovina as the worst ranking one at position 86<sup>th</sup>. Here you can find a brief explanation of the WB6 adaptability status and some information about indicators composing the 9 sectors covered by the report for assessing “Vulnerability” and “Readiness”.

- I. **Serbia:** with an adjusted comprehensive score of 51.4 – 40.95 for “Vulnerability” and 43.65 for “Readiness” – it stands 70<sup>th</sup> in the *ND-GAIN* country ranking. Concerning “Vulnerability”, indicators showing the worst performances are “Agriculture capacity” and “Dam capacity” – 0.967 and 0.941 respectively –. “Innovation” with a score of 0.120 is the worst result out of the “Readiness” domain;
- II. **Montenegro:** is the second-best performing country from our group – ranking 58<sup>th</sup> with an adjusted comprehensive score of 53.8. Again “Agricultural capacity” with a 0.980 and “Food import dependency” with 0.974 appear as the weakest indicators from the “Vulnerability” domain while for “Readiness”, the worst result is held by “Innovation” – 0.070 –;
- III. **North Macedonia:** is the best performing of the WB6 and it ranks at position 52 with an adjusted “Adaptability” score of 55.1. Particularly serious is the condition of “Engagement in international environmental conventions” – 0.992 – and to a lesser extent “Agricultural capacity” – 0.844 – under the “Vulnerability” area. “Innovation”, with a score of 0.089, confirms itself as a common issue for the WB6.
- IV. **Bosnia & Herzegovina:** with an adjusted comprehensive score of 49.3 is the worst ranking of the WB6 – 86<sup>th</sup> in the ranking –. “Dam capacity” and “Agriculture capacity” represent the indicators requiring some intervention – they scored respectively a 0.821 and a 0.859. In the “Readiness” domain, once more “Innovation” reiterates its condition as the weakest indicator – 0.072 –.

The *ND-GAIN* takes a picture of the WB6 as countries striving to reach some readiness and be less vulnerable to intense climate events. Nonetheless they are all relatively well positioned compared to other countries, especially those with similar economies. It is interesting to note that they share the same issues connected to subjects like “Innovation” for the environment and the capacity of agriculture to respond to a continuous worsening of the condition of the rural areas.

Despite an overall acceptable status, policies connected to climate change and readiness are demanding and they crosscut several areas, that is why WB6 cannot exclude climate topics from every aspect of their socioeconomic and political agenda.

## 18. Energy Transition

The *Energy Transition Index* is a tool designed by the *World Economic Forum*. The index, which is at its second edition, “benchmarks countries on the performance of their energy system and their readiness for energy transition. It offers a framework for countries to design long-term energy transition roadmaps by considering current energy system performance and highlighting the necessary enablers that improve countries’ readiness for energy transition. Over the past year, developments across the three pillars of the energy triangle – economic development and growth, energy security and access, and environmental sustainability – have attested to the complexity of the energy system and highlighted the need to accelerate energy transition”.

There are two main dimensions explaining energy transition levels of a country, “System performances imperatives” – in which there are included the “Security and access”, “Environmental sustainability” and “Economic development and growth” – and “Transition readiness enabling dimension” domain – with its “Energy system structure”, “Capital and investment”, Regulation and political commitment”, “Human capital and consumer participation”, “Infrastructure and innovative business environment” and “Institutions and governance” sub-areas –. Overall, there are 40 energy transition indicators under the two main domains and their sub-areas.

The *2019 Energy Transition Index* ranked and assigned scores to a total of 115 countries. At the top of the ranking (top 10) stand only Western and Northern European countries, with Sweden, Switzerland and Norway taking the top spots. The high-ranking countries show certain common features which translates in high performances in innovative business environments, strong institutional and regulatory frameworks, ability to attract capitals and investments and strong political commitment. Countries where energy transition is finding the hardest conditions are the fossil-fuel exporting ones or the great coal consumers – among them there are Venezuela, Nigeria, Mongolia, South Africa and Mozambique.

According to this year report, energy transition at a global level has unexpectedly slowed down. In chart 46 global scores assigned to the sub-areas under the “System performances imperatives” and “Transition readiness enabling dimensions” domains are depicted.

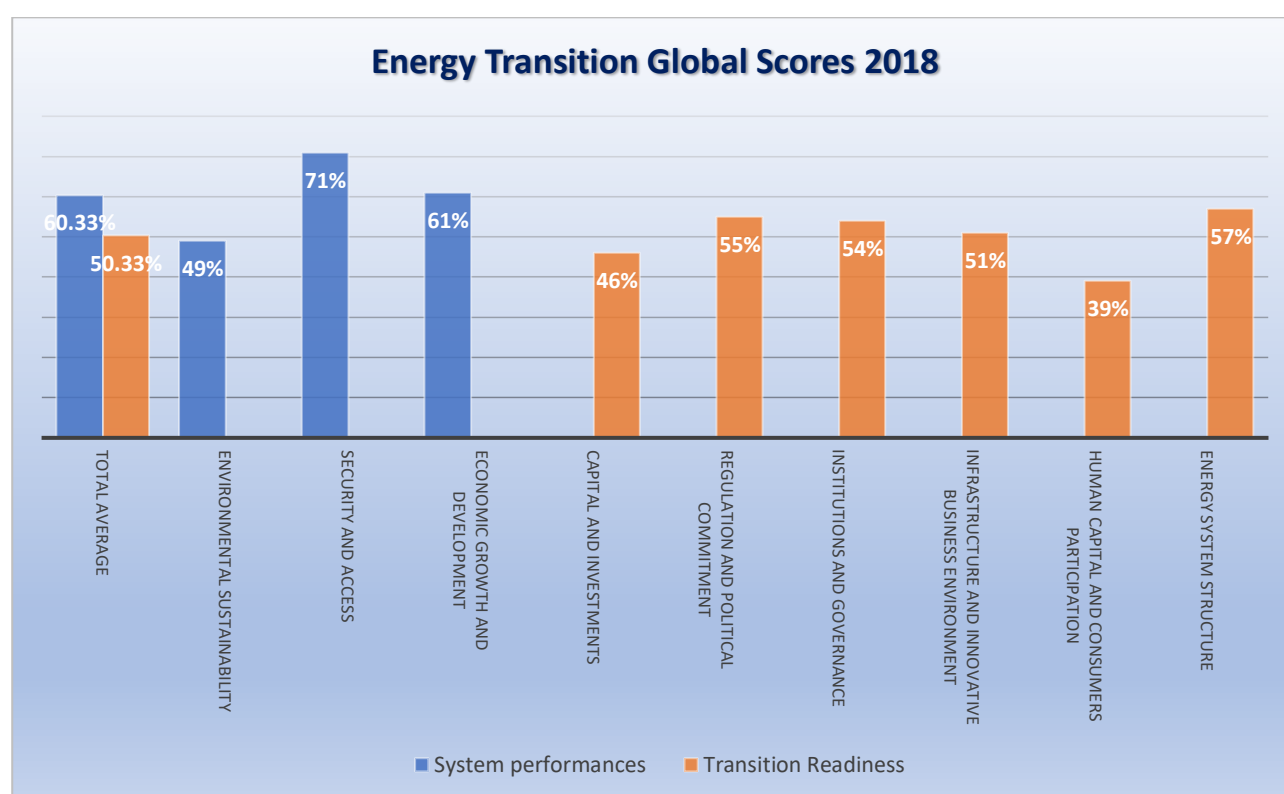


Chart 46

Slowdown can be confirmed comparing this year index with the previous year index. Since year 2017 in the “System performances” domains only the sub-area “Security and access” improved – from 69% to 71% –, while, with regard to “Transition readiness”, ameliorations in “Regulation and political commitment” – 51% in 2017 and 55% in 2018 – and “human capital and consumers participation” – to 39% (2018) from 35% (2017) – are registered; a decay has been detected in the “Capital and investments” – 46% in 2018 against the 47% of year 2017 –, “Institutions and governance” – 55% (2017) down to 54% in 2018 – and “Infrastructure and innovative business environment” – 51% in 2018 compared to 52% in 2017 –.

In the *2019 Energy Transition Index* Albania ranks 38<sup>th</sup> with an ETI score of 60% – 67% in “System performances” and 52% in “Transition readiness”. Generally speaking, the country is above global average in both the two main domains assessed by the index. In chart 47 Albania ETI profile is compared with those of the remaining WB6. As there are not significant changes and enough data with regards to Albania scores in 2017, our time analysis is postponed to *Albania in the Eyes of the World 2020*. North Macedonia and Kosovo are not included in the analysis as they are not assessed by the *2019 Energy Transition Index*.

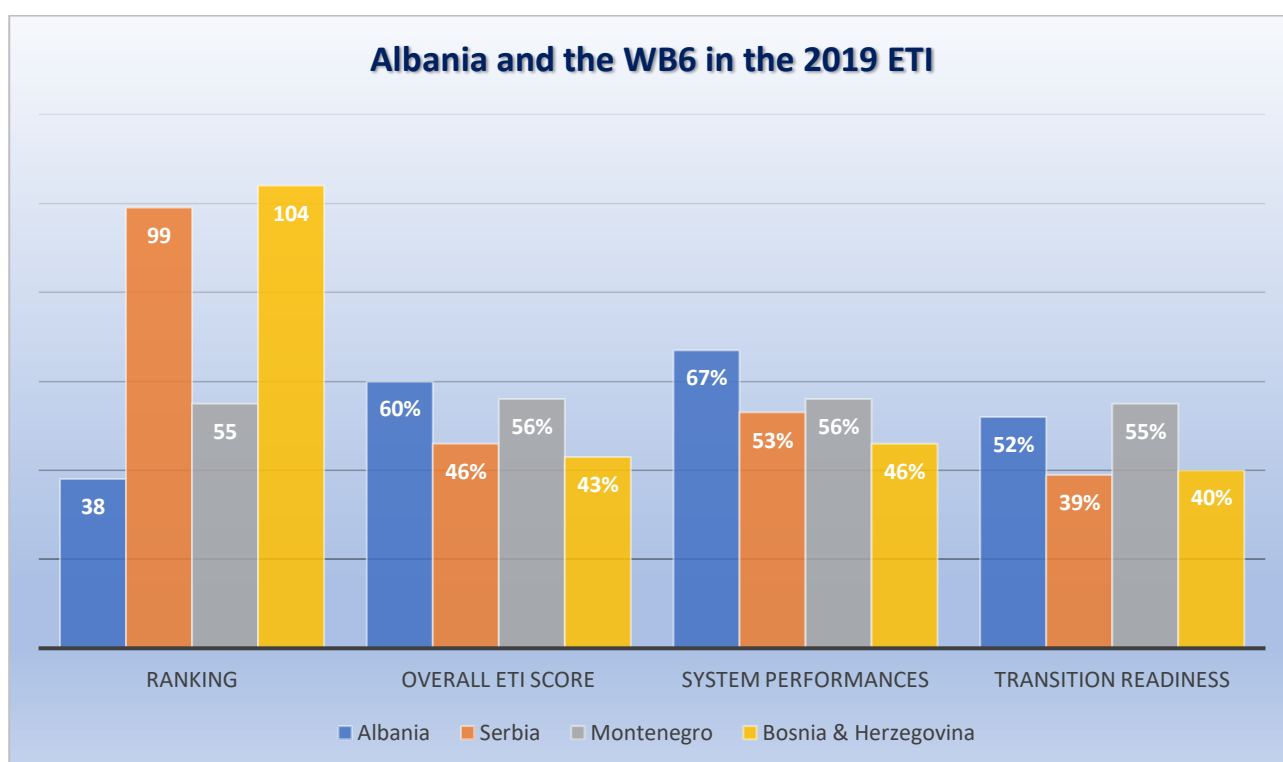


Chart 47

Out of our group of interest, Albania stands out as the best positioned of the WB6 and, as above mentioned, it is the only country above world average in both “System performances” and “Transition readiness”, while Montenegro (55<sup>th</sup> in the ranking) is above global average and best scoring of the WB6 in the “Transition readiness” area – score of 55% –. Serbia (99<sup>th</sup>) and Bosnia & Herzegovina (104<sup>th</sup>) are clearly below global average in every area assessed by ETI.

Further efforts are required to the WB6 in order to achieve a full transition to a clean energy and renewables-oriented system. Albania, Montenegro and North Macedonia, which, taking into account ETI and ND-GAIN appears to be the most environment-friendly of the WB6, confirm their attention towards energetic resilience and sustainability with lower levels of CO<sub>2</sub> emissions per capita. Albania for year 2017 recorded a 2.18 tonnes per capita, North Macedonia and Montenegro 3.48 t and 4.18 t respectively. Confirming their energy transition difficulties, Serbia – with 5.13 CO<sub>2</sub> tonnes per capita – and Bosnia & Herzegovina – 7.60 t – hold the major share of WB6 carbon dioxide emissions.

## 19. UN Sustainable Development Goals

The *Agenda for Sustainable Development* is a global policy document adopted in 2015 by United Nations and its 193 member countries. The Agenda is an instrument designed to overcome different global issues which are long-term dynamics that international community decided to eradicate by 2030 in order to pave the way for a more equal and sustainable world. The policy document asks for a definitive solution on 17 broad issues positively converted in “Sustainable Development Goals<sup>21</sup>” and, for this purpose, calls in governments and civil society active participation. The 17 *Sustainable Development Goals* (SDGs) in turn are subdivided into 169 targets which are measured via 234 indicators.

Some critics pointed out at the exaggerated ambition of the SDGs, criticizing the difficulty to reach the targets without excessive expenses; nonetheless, despite some goals which are not improving at a good pace, there do exist encouraging progresses in poverty reduction, fight against hunger, health, water and hygiene and socioeconomic and gender inequalities reduction. However, the most worrying signals come from goal 11 to goal 15 (sustainable communities and cities; responsible consumption and production; fight against climate change; oceans conservation; terrestrial ecosystem). These lead us to consider that while effective response is given to issues connected to the human domain, there are flaws and insufficient efforts linked to environmental protection and fight against climate change. This last consideration is not of secondary importance as environmental protection and resilience, together with the decreasing of human footprint on natural resources, are strongly related to fight against hunger, poverty reduction and migrations among the others.

Another major factor for the outcome of SDGs is the capacity of national governments and international institutions to provide reliable and disaggregated data on the topics covered by the 2030 Agenda in order to “leave no one behind”.

The *UPR-SDG Data Explorer* is a tool designed to put in order high-quality recommendations coming from international monitoring bodies and directed to countries with regard to specific sectors and topics directly or indirectly connected with human rights and with the sustainable development goals. The *Danish Institute for Human Rights*, in collaboration with UNHCR (*High Commissioner for Human Rights*), created this tool in order to individuate professional opinions by Treaty bodies, the Universal Periodic Review<sup>22</sup> and the UN Special Procedures<sup>23</sup> relevant to the 17 SDGs and their respective 169 targets. According to *The Danish Institute of Human Rights* the tool has a total capacity of 150,000 recommendations coming from 67 human rights monitoring systems.

Aim of the tool is to help governments and public actors in deploying effective measures to counter human rights violations and guarantee protection for specific minority groups. Furthermore, it is intended to help individuate vulnerable groups and policies to combat discriminations worldwide. The tool can also be used by right-holders and civil society organization to make their lobbying and protection activities more coherent and effective.

---

<sup>21</sup> Goal 1: End poverty in all its forms everywhere; Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture; Goal 3: Ensure healthy lives and promote well-being for all at all ages; Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; Goal 5: Achieve gender equality and empower all women and girls; Goal 6: Ensure availability and sustainable management of water and sanitation for all; Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all; Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation; Goal 10: Reduce inequality within and among countries; Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable; Goal 12: Ensure sustainable consumption and production patterns; Goal 13: Take urgent action to combat climate change and its impacts; Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development; Goal 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; 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; Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development.

<sup>22</sup> UPR is a mechanism of the United Nations Human Rights Council which periodically analyzes human rights protection and performances for the 196 UN member States.

<sup>23</sup> The UN Special Procedures of the Human Rights Council are investigations carried by independent human rights experts with specific thematic – social, cultural, economic or political – or countries' focuses

The *UPR-SDG Data Explorer*, based on 12 human rights monitoring mechanism<sup>24</sup>, accounts for an overall of 10 vulnerable groups – children, human rights defenders, indigenous people, LGBT, minorities, internally displaced people, migrants, persons with disabilities, refugees and asylum seekers and women – and 197 countries. The database is updated on May 2018.

Next, Albania situation within the tool is assessed and the total amount of recommendations directed towards our main country of interest compared with those addressed to the remaining WB6 – except for Kosovo, which is not included in the UPR-SDG tool – is provided. Chart 48 contains the overall number of recommendations divided by topic/sector as covered by the database.

First and foremost, a total of 539 recommendations<sup>25</sup> have been directed to Albania, the majority of which (184) referring to SDG 16 – Peace, justice and strong institutions –. Before a brief discussion over Albania profile, a chart comprehensive of recommendations given for any of 17 SDGs is shown.

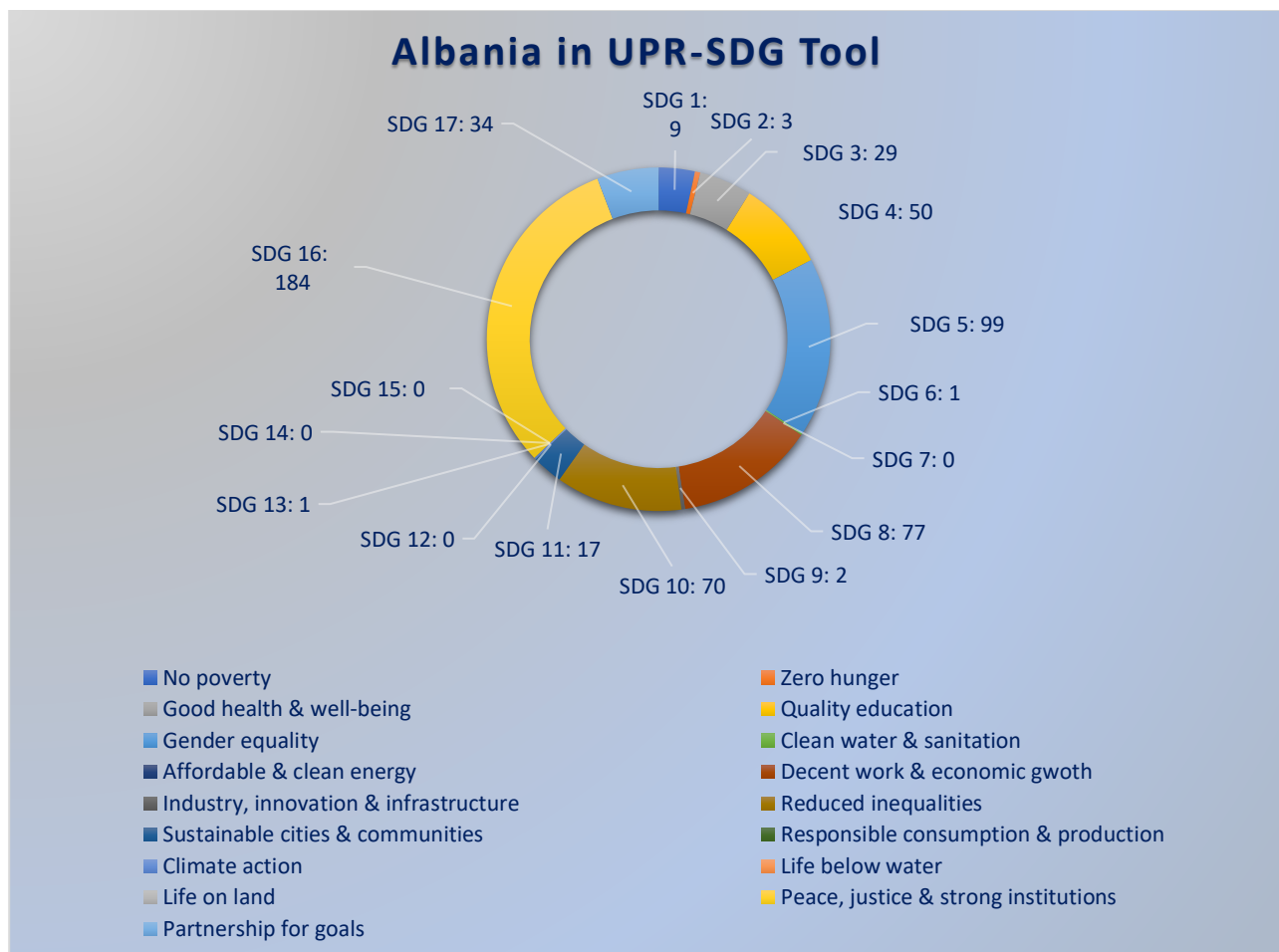


Chart 48

As deductible from chart 48, other delicate issues appear to be SDG 4 “Quality education”, SDG 5 “Gender equality”, SDG 8 “Decent work and economic growth” and SDG 10 “Reduced inequalities”.

Again, it seems that topics connected to Rule of Law – SDG 16 is described as the ability to “*promote peaceful and inclusive societies for sustainable development, provide justice for all and build effective, accountable and inclusive institutions at all levels*” – and economic wealth distribution – SDG 8 calls for “*promotion of sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*” – are the most demanding ones for the country.

<sup>24</sup> Universal Periodic Review; UN Special Procedures; Committee against Torture; Committee on Economic, Social, Cultural Rights; Committee on Enforced Disappearances; Committee on Migrant Workers; Committee on the Elimination of Discrimination against Women; Committee on the Elimination of Racial Discrimination; Committee on the Rights of People with Disabilities; Committee on the Rights of the Child; Human Rights Committee; Subcommittee on Prevention of Torture.

<sup>25</sup> 274 recommendations come from the Universal Periodic Review, 26 from UN Special procedures and 239 from Treaty Bodies. 353 recommendations are directly linked to one of the 17 SDGs.

Great importance will be given to gender issues too, as Albania received an overall 99 recommendations to reduce gender inequalities.

With the next analysis, WB6 profiles in the UPR-SDG tool are displayed in order to give a comparison with Albania and detect discrepancies within the Balkans region.

In analyzing WB6 country profiles (except for Kosovo), a representation of SGDs-connected recommendations, only for what appears to be the most delicate issues in the region, is provided. This choice is intended to present a more readable chart, assigning to the reader the task to investigate WB6 profiles more in-depth as depicted in the UPR-SDG tool website. However, a special mention will be given for those recommendations that are unique to a specific country. Chart 49 shows WB6 status and sectors where a greater number of recommendations has been given.

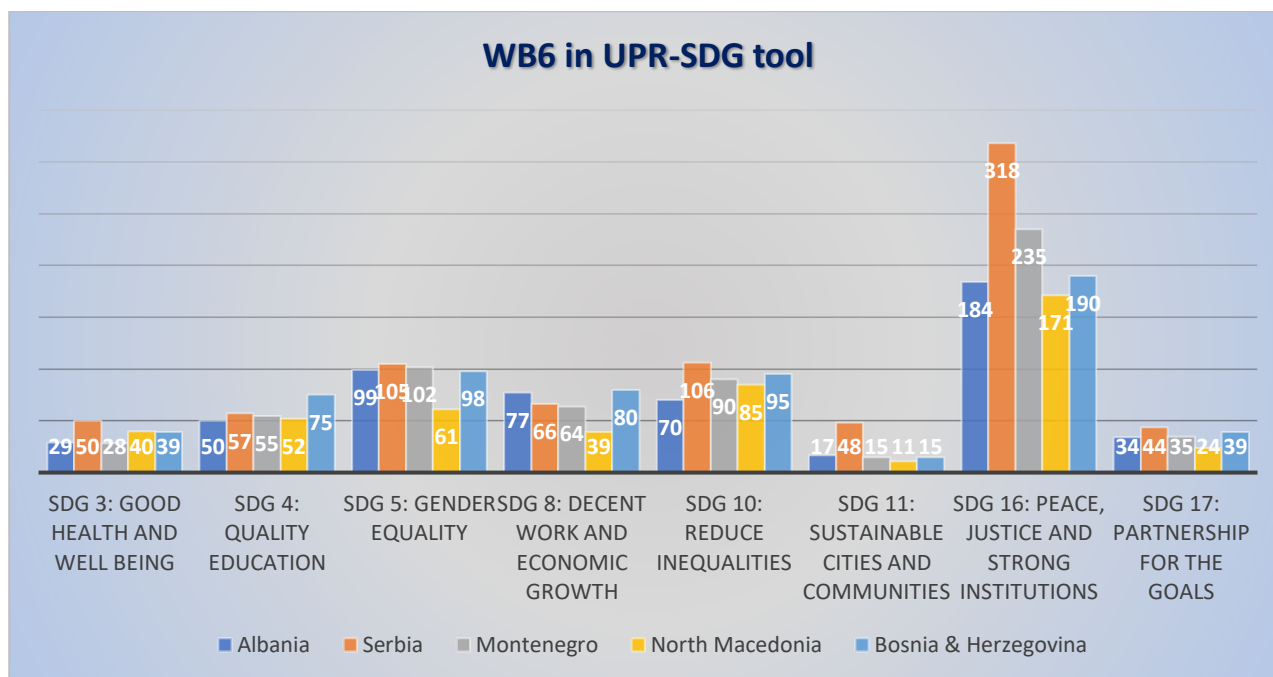


Chart 49

Before dedicating a few words to the recommendations given to the WB6, it is important to state that SDGs covered by the graphic are those which appear as the more targeted by the commissions and there is strong coherence amongst profiles of the Western Balkan Six. In addition, there aren't particular anomalies – except for Serbia which has received 2 recommendations in SDG13 (Climate action) and Bosnia & Herzegovina that totaled 3 recommendations for SDG 12 (Responsible consumption and production) and 1 for SDG 13.

One consideration is due: the most delicate topic for the Balkan countries is *Peace, justice and strong institutions*, implying that further efforts are requested to counter social violence and promote access to justice, strong institutions and rule of law. Nonetheless, this phenomenon is not a peculiarity of the WB6 but more a widespread trend. In fact, even the most peaceful countries are used to receiving hundreds of recommendations with regard to SDG 16, and this could mean that, beginning with the assumption that any country has a different starting point connected to the achievements of SGDs, issues connected to peace and justice create significant concerns on a global level. “Gender equality”, “Reduce inequalities”, and to a lesser extent “Decent work and economic growth”, are the other SGDs where the WB6 received a consistent number of recommendations, symbolizing the need for implementations of policies directed to a just and inclusive socioeconomic development.

Despite globally shared issue, a suggestion is to analyze the UPR-SDG tool regionally, comparing country profiles deemed each other socioeconomically similar.



**CATHOLIC UNIVERSITY**  
OUR LADY OF GOOD COUNSEL



© **Copyright by:** Catholic University Our Lady of Good Counsel

**All Rights Reserved by:**

Catholic University Our Lady of Good Counsel

Pruga Dritan Hoxha, Tirana, Albania

✉ [info@unizkm.al](mailto:info@unizkm.al)

✉ [cespic@unizkm.al](mailto:cespic@unizkm.al)

🌐 [www.unizkm.al](http://www.unizkm.al)