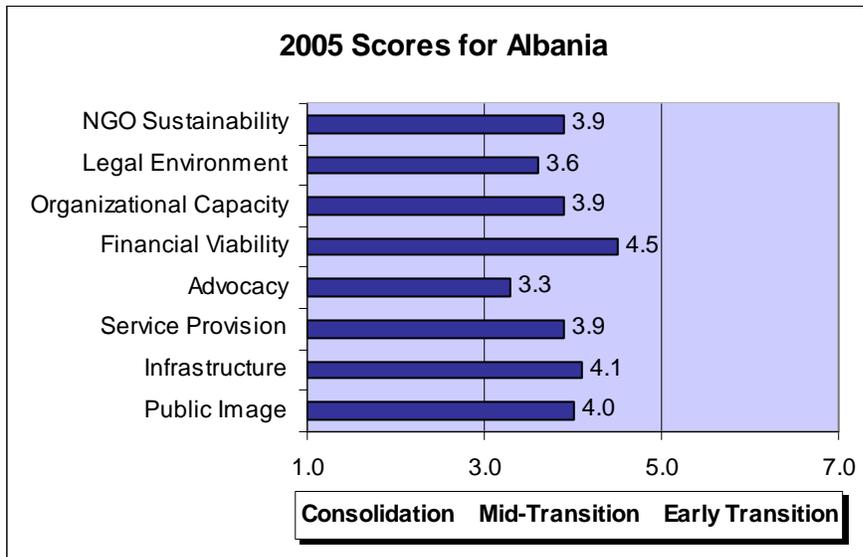


Section 5: Country Reports

Albania



Capital: Tirana

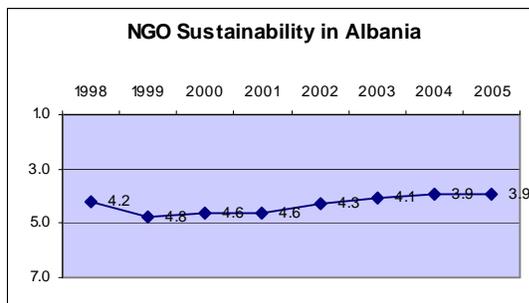
Polity: Presidential-parliamentary democracy

Population: 3,581,000

GDP per capita (PPP): \$4,900

NGO SUSTAINABILITY: 3.9

Over the past year, Albanian NGOs made only slight advances in their march towards sustainability. Progress was less than expected, given the flurry of concerted and visible NGO activities leading up to the July parliamentary elections and the level of volunteerism both on Election Day and during the vote counting. One factor explaining the lower than expected score is the deterioration in the legal environment.



Utilizing the media with more skill and frequency than in previous years, Albanian NGOs took center stage during the elections. They were involved in monitoring all aspects of

the election process, including news coverage during the campaign, the voting and counting processes, and campaign finances and public spending. NGOs were regularly in the news disseminating the findings of their various monitoring efforts, releasing public statements, or announcing public events, such as the demonstration held on International Anti-corruption Day. Advocacy organizations also found new niches, like polling, and causing disquiet in political circles.

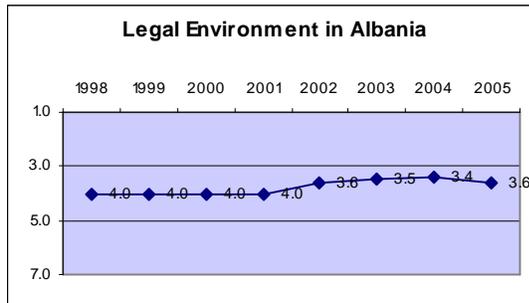
The financial viability of Albania's NGO sector has not changed dramatically over the past year. Most of the country's active registered NGOs remain dependent on external funding sources. A few organizations, however, have successfully diversified their support by securing funding from multiple donors or private sources. These are the exceptions, and private philanthropic support for Albanian organizations is generally absent from the civic culture, despite several consecutive years of economic growth. Organizations often find themselves in

precarious financial situations with little prospect of continued donor support.

The public image of NGOs has continued to improve despite attempts to smear NGO

leaders. Following the July elections, numerous NGO leaders were tapped for top positions in the new government.

LEGAL ENVIRONMENT: 3.6

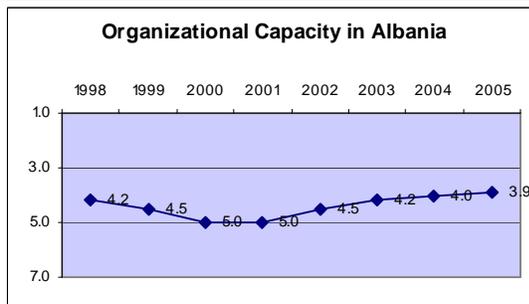


The NGO sector as a whole was significantly more active this year, the obvious inadequacies of the legal environment appeared in sharp relief. For example, it has become clearer to the sector that the registration process is a problem. Organizations in the regions do not have the same access to legal services as those in the Capital. Donors are no longer funding

projects that provide training in NGO law to judges and lawyers. The legal framework lacks clear implementing rules and regulations, causing confusion and allowing government officials and judges significant discretion in applying the law. The tax framework affecting the sector is also incomplete and deficient.

Another factor in the deterioration of the legal environment is the increased administrative harassment from government officials. In an election year dominated by political parties that have great control of the media, NGOs were often caught in the partisan crossfire on certain legal issues. The most notable was a charge by Democratic Party operatives that MJAFT, a highly visible national youth organization, conducted a poll that violated U.S. trademark law.

ORGANIZATIONAL CAPACITY: 3.9

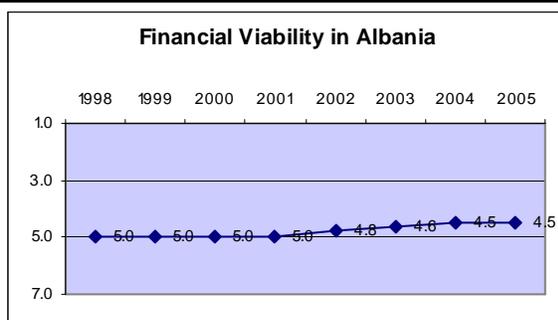


A slight improvement in the Organizational Capacity score is warranted by positive changes over the past year. Some organizations have begun developing new local constituencies for their projects. In one example, the Citizens Advocacy Office (CAO) and MJAFT have sought and received support from the Albanian business and private sectors, expanding their areas of expertise. MJAFT, in addition to being active in various political issues from anti-

corruption to opposing casinos, is now conducting opinion polls.

More organizations are publishing their annual work plans, though most of these NGOs are based in Tirana. Organizations in general have a slightly improved capacity for strategic planning. A few prominent NGOs have developed better strategies for communicating with their constituencies and members, allowing them to enlist volunteers and conduct “get out the vote” campaigns, as well as to monitor elections. As expected, well-established, professional organizations have paid staff and are less dependent on volunteers. In general, NGOs have more clearly defined organizational structures and divisions of responsibility between the board and executives.

FINANCIAL VIABILITY: 4.5



The majority of Albanian NGOs continue to depend on donor funding. Only a small number of large, well-established organizations have sound financial management systems in place

and publish their annual reports and financial statements. In most cases, these organizations are complying with donor requirements and conditions to ensure eligibility for future funding.

More organizations were successful in securing support from local businesses and the government, or at least in diversifying their international funding sources. This augers well for the small number of organizations that are more astute and agile. Local governments are more aware of the role that NGOs play. The increase in citizen participation has motivated local organizations to make more of an effort to achieve financial viability.

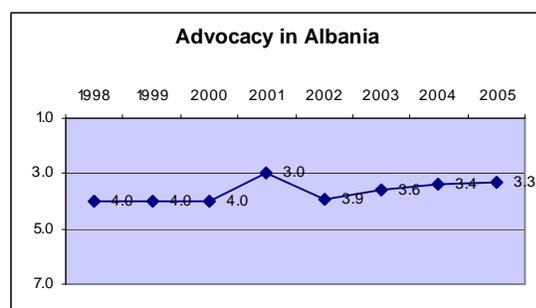
ADVOCACY: 3.3

The NGO sector made improvements in the Advocacy dimension as well, as organizations increased their efforts during the parliamentary elections and in monitoring the media. The Albanian Coalition Against Corruption (ACAC) involved seven organizations which mobilized more than 3000 election observers, many of whom dedicated days and weeks working during the prolonged vote-counting process.

in advocating for free and fair elections include MJAFT, the Albanian Disability Rights Foundation, Co-Plan, and others.

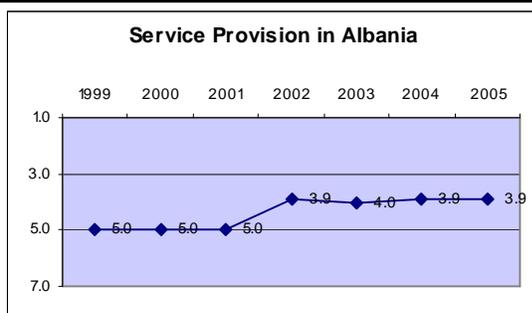
Three organizations participated in the media monitoring campaign, increasing the quality of coverage of the election campaign. For the first time in Albanian history, public opinion polls were taken by local NGOs, such as MJAFT. Such organizations are more capable of mobilizing resources than they were last year. The organizations that played the greatest role

NGO relations with the new government are dramatically better than with the old. Improved relations are expected to have a positive impact on NGO participation in policy making. Numerous NGO representatives have been appointed to key government positions, and many organizations are now active in trying to influence legislation. ACAC is active in the implementation of the conflict of interest law as well as campaigns against a power plant project in Vlora and the opening of casinos. The organizations participating in the decentralization of the government are both active and capable.



Though positive, these developments as well as active organizations are based in the capital; NGOs in the regions lack appropriate advocacy skills.

SERVICE PROVISION: 3.9



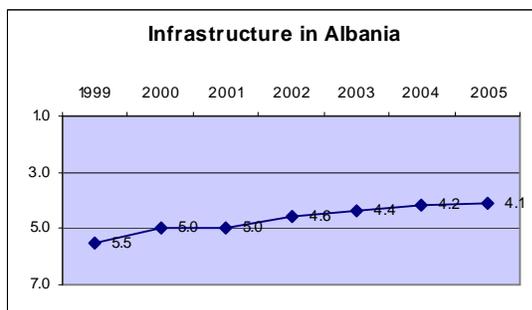
The NGO sector made slight improvements over the past year. While the range of services offered by NGOs has diminished, the quality of the remaining services has improved significantly. The number of services that organizations offer has decreased as a result of the decrease in support from foreign donors.

NGOs offer a range of services, such as education, psychological counseling, and housing, for marginalized groups, including victims of human trafficking. Numerous organizations offer free legal services and represent victims of corruption; these organizations understand their market and have become recognized.

The range of goods and services do not always reflect the needs of constituencies and local communities and service providers are often driven by donor priorities. NGOs generally understand the idea of recovering costs by charging fees, though they do not generally understand the concept of market demand. Though the public does not yet value NGO services, local governments generally do.

INFRASTRUCTURE: 4.1

The five NGO resource centers funded by the Dutch GTZ, SIDA, and the OSCE continue to provide training, computer and internet services, photocopying, and meeting spaces in cities throughout Albania. The fees they charge are inadequate for their services, and they are far from being financially viable or sustainable. Local grant making is scarce, and in some areas nonexistent and NGOs continued to be donor driven. A small number of organizations provide small grants to other NGOs, but they are primarily re-distributing funds from the international donor community.



NGOs have improved their ability to form coalitions, and a network is now in place to facilitate information sharing. ACAC was very active during the parliamentary elections. Its network coordinated election observers, distributed training and other materials, and provided observer credentials to member organizations and volunteers. On Election Day, ACAC and its seven election observation groups coordinated observer feedback from almost 1,600 voting centers and all 100 vote counting centers. Those field reports were relayed to the ACAC monitoring headquarters in Tirana, where they were organized, analyzed, and then reported in media conferences. This was the first attempt at such a national communications network and it was successful. NGOs also began using the internet more as a means of disseminating information and raising modest financial contributions.

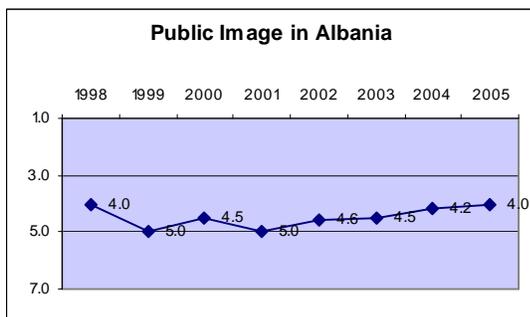
PUBLIC IMAGE: 4.0

The Public Image dimension has improved since last year. The sector enjoyed a great amount of media coverage, and in most instances it has

been positive. However, many in the media fail to distinguish NGOs from businesses and charge them for public service announcements,

including notices of events that would otherwise be newsworthy.

Few organizations have a public relations strategy, though many have begun planning events that involve officials from bilateral missions or multilateral organizations to increase their profiles. The events planned for foreign officials perpetuate the perception that NGOs are dependent on political and financial support from foreign governments. NGOs have participated in more public policy debates and organized public awareness campaigns, especially during the parliamentary elections. This increased activity was newsworthy and attracted free publicity. One indication of the change of the sector's image is that many leaders were appointed to positions in the new government. A recent survey asked the public to rate on a scale of 1 to 10 the level of corruption of various leaders and government officials. Leaders from the NGO community received 5.3 in 2005, a .8 improvement over last year.



NGOs have not adopted a code of ethics to promote transparency in their operations. This has raised concerns among the political elite, and exposed NGOs to perceptions of conflicts of interest. A few minor allegations of conflicts of interest made the news this year. NGOs improved their public image this year with successful advocacy campaigns and increased attention from the media. The general public and business sector have a much better perception of NGOs, no longer seeing them as extensions of the government, but more as monitors and watchdogs.

NGOs employed more media-savvy approaches and strategies this past year. These efforts are beginning to pay dividends in terms of public recognition of the groups themselves, as well as public awareness of the issues for which they advocate.

The NGO sector does not yet have a code of ethics, though efforts are being made to draft one. More organizations are increasing their transparency by publishing annual activity and financial reports.