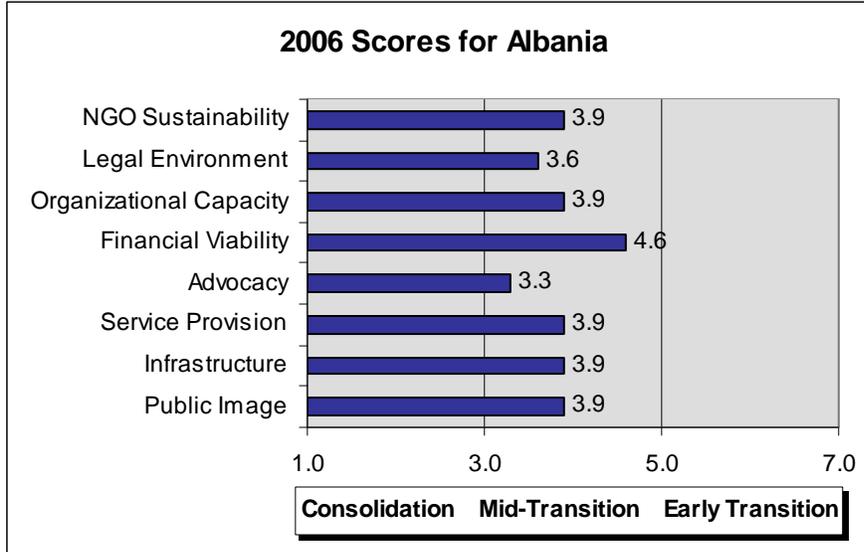


Section 5: Country Reports

Albania



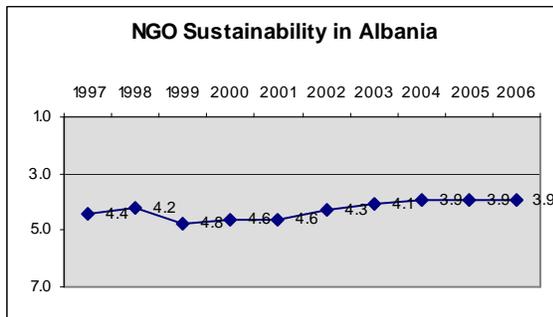
Capital: Tirana

Polity:
 Presidential –
 Parliamentary
 Democracy

Population:
 3,581,655

GDP per capita (PPP):
 \$5,600

NGO SUSTAINABILITY: 3.9



While the Albanian NGO sector experienced few positive changes over the past year, conditions did not deteriorate. The process for registering new organizations continues to be arbitrary and subject to the same corruption that affects other administrative functions that rely on court decisions. For those organizations that are registered, however, the

legal environment is supportive and unrestrictive.

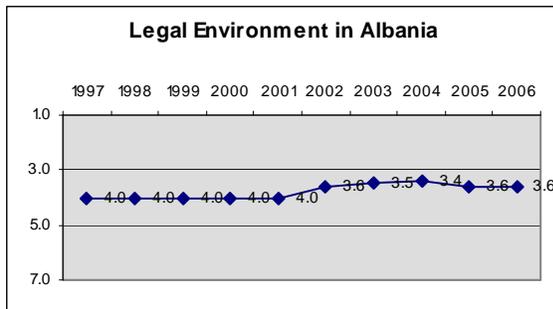
Most civic organizations continue to depend on donor funds; the larger, more sophisticated Tirana-based organizations receive the majority of support. A few NGOs, however, have been successful in breaking their dependence on foreign donors by diversifying their support; some have even been successful securing local funds. NGOs have engaged in high-profile advocacy initiatives concerning issues such as consumer protection and anti-corruption. This includes promoting policies to prevent monopolies by regulating the rates charged for services such as mobile phones. These initiatives, however, have not affected public policy.

LEGAL ENVIRONMENT: 3.6

Registering new NGOs and for-profit businesses remains a legal matter handled by the courts instead of an administrative process.

The notaries and judges that make decisions concerning registration continue to apply the regulations in an arbitrary manner and routinely demand bribes. NGOs must still submit their

registration applications in Tirana, which reinforces a Tirana-centric form of development and creates difficulties for organizations that have to travel long distances to attain legal personality. More grass-roots organizations outside Tirana tried to register as legal entities over the past year, which has highlighted the barriers to registration and reinforced the perception of a deteriorating legal environment.

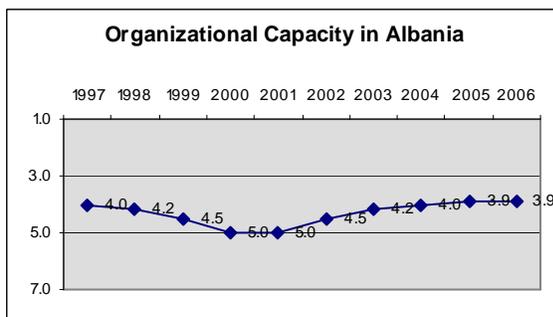


The legal community does not yet have sufficient knowledge of NGO issues, and the inadequate legal services make it even more difficult for NGOs to register or defend their interests. Judges are similarly unfamiliar with issues that affect civil society.

In the coming year, Partners-Albania will propose amendments to the Law on Non-Profit Organizations, the NGO Regulation law, administrative procedures, and the tax laws affecting the NGO sector. The assessment of the current legal framework that identifies the areas in need of reform was completed and distributed to stakeholders in 2006. In 2007, it is expected that amendments will be drafted and presented to the Albanian Government and the legislature.

ORGANIZATIONAL CAPACITY: 3.9

Albanian NGOs showed little improvement in organizational capacity over the past year. Many member-based organizations consult with their constituents when identifying their priorities. NGOs, however, also adjust their priorities in order to secure funds from international donors. Several NGOs have well-defined mission statements and organizational structures, as well as well-trained staff. Many NGOs, especially those in the remote areas, continue to operate with low levels of organizational capacity and depend on one person to organize their activities.



organizations. This has left NGO service providers largely under-funded. NGOs are required to have well-defined mission statements, which prevents them from applying for the different kinds of funding available.

Large and more active NGOs such as Mjaft, the Citizens Advocacy Office (CAO), Co-Plan, and others that operate in the urban areas of Tirane, Durrës, Vlore, and Shkodre, have clearly defined rules and regulations. These NGOs are expanding, have developed long-term strategic plans, and are well equipped with offices, computers and fax machines.

Many Albanian organizations are establishing a presence on the internet and using it to disseminate information and publish the findings of their monitoring activities. In 2006, MJAFT, for example, launched "I Vote" (www.Unvotoj.com), a website that among other things monitors the wealth and financial disclosure statements of Albanian politicians.

A small number of organizations, such as the CAO, opened branches in the cities of Vlore and Shkodra and offer pro bono legal services to those swindled by corrupt officials.

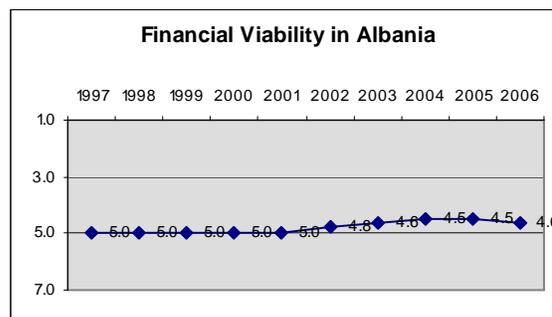
Donors have shifted their priorities and now provide more funding to advocacy

FINANCIAL VIABILITY: 4.6

NGOs remain dependent on foreign funding, and the resources available are insufficient to meet the financial needs of the NGO sector. NGOs that lack foreign support to cover their administrative costs have difficulties continuing their activities. Overall, the ability of NGOs to absorb donor funds is weak, and organizations often lack the institutional capacity to satisfy donor reporting or cost-sharing requirements. Only a small number of organizations qualify for EU funds and the application process gives priority to international NGOs.

Despite these difficulties, more organizations have diversified their funding and receive support from a variety of sources. A limited number of NGOs are becoming more influential. The sector is shrinking and only the more qualified and established organizations with the ability to diversify their funding are able to survive. Community-based organizations have limited support due to their low capacity levels and the focus of donor interests on advocacy issues. NGOs rarely charge fees for their services or engage in economic activities to support their non-profit activities. The Albanian Disability Rights

Foundation provides wheelchairs for a nominal fee, though the income only offsets a portion of the production costs. The Albanian government provides minimal funding for NGOs.



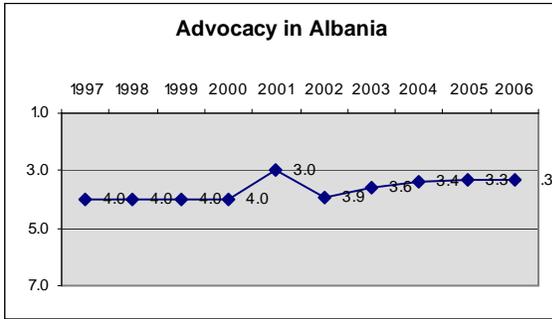
The donor community's tendency to support the elite NGOs will in the long-term damage the greater NGO sector. While one group of organizations is maturing, the rest of the sector is disappearing due to the lack of support from foreign donors. Financial management continues to be a challenge; only a small number of well-established organizations have adopted sound financial accounting systems and publish annual activity and financial reports.

ADVOCACY: 3.3

In 2006, the NGO sector focused on advocacy activities rather than service delivery, driven in large part by the availability of funds for advocacy organizations. While NGO advocacy efforts benefited from some positive developments, they also experienced some setbacks. One positive development is the NGO sector's increased level of cooperation with local governments. NGOs and local government bodies, for example, at times cooperate in local planning and budgeting.

In addition, well-known representatives from a few established NGOs were appointed to positions in the Democratic Party-led government. As a result, some organizations enjoy better relationships with government

authorities, and have more influence when engaging in lobbying activities. Among government officials, the improved relationship has fostered greater interest in engaging NGOs to monitor reforms, such as judicial inspections and rights for the disabled. The Albanian Disability Rights Foundation (ADRF), for example, has been instrumental in helping the government draft a strategy for addressing disability issues and monitoring its progress.



Despite improved relations, NGOs initiated only a small number of advocacy efforts to influence government policies. Environmental organizations in the southern Adriatic gained notoriety when they initiated campaigns against the government's proposed power plant and oil

SERVICE PROVISION: 3.9

As government power is decentralized, local officials recognize the value of NGO service providers, though some continue to misunderstand the role that the sector can play. The Albanian government has yet to develop a strategy for providing services that are currently offered by NGOs. The Labor Ministry and the World Bank, however, initiated a project that will increase NGO funding to provide services at the local level. This is a pilot project, however, and has yet to cover all regions of Albania. Though NGOs have been filling the gaps in services, the government has yet to provide consistent grants or contracts.

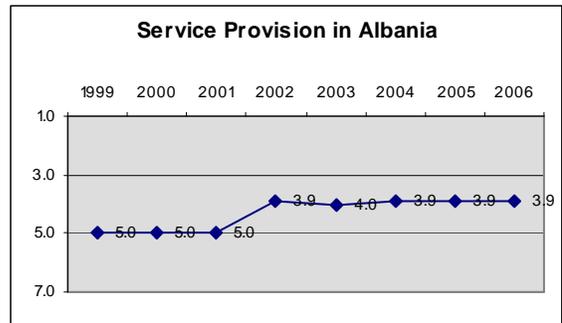
A number of NGO services are unsustainable because they are funded strictly by foreign donors; once the funding ends, so will the services. The Albanian government is considering legal reforms that will permit

INFRASTRUCTURE: 3.9

The NGO community has yet to organize a single coalition to represent its interests. NGOs form ad hoc coalitions around common interests only when they see a benefit in doing so. Recent examples include coalitions organized to address election issues, environmental protection, disability rights, and

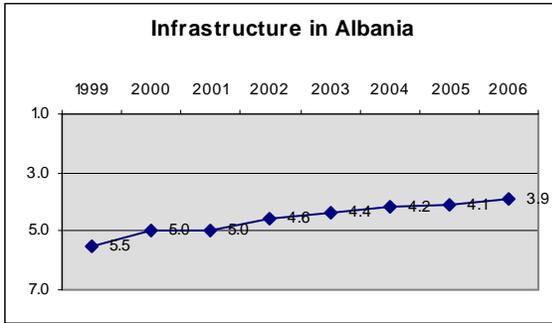
pipeline. Their efforts forced the government to consult the NGO community about these issues and stalled what would have been environmentally harmful projects. The Albanian Consumer Alliance and Coalition Against Corruption (ACAC) organized campaigns against high telephone rates, forcing the government and a private telecom company to lower prices. Recently, more organizations have taken a stand against trusts, a term which in Albania refers to businesses such as telecom and energy companies that operate in markets with minimal competition, allowing them to set high rates for their services.

NGOs to charge fees for the services they provide.



Though government agencies have established quality and safety standards for NGOs that provide services for children and the disabled, few other standards exist. The government has taken steps to create a legal framework to regulate such services, but it has yet to be implemented.

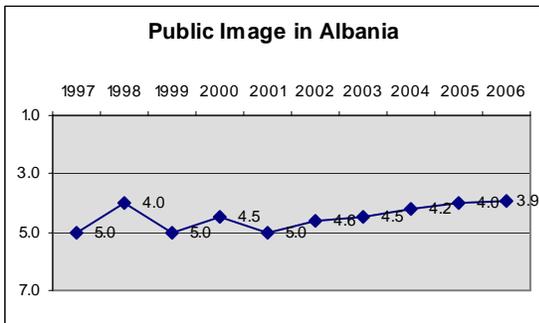
others. NGO coalitions such as ACAC and Youth Parliament are stronger and exercise greater pressure for changes in public policy.



Civil Society Development Centers (CSDC) continue to provide services in the districts of Durres, Elbasan, Vlore, Korce, Kukes, and Shkodra. Partners-Albania, REC, and OSFA now provide grants, while Partners-Albania, Co-Plan Network, the Center for Development of Gender Alliance, and CAO offer consulting services, provide trainings, and publish

PUBLIC IMAGE: 3.9

According to a number of surveys, including one by the Institute for Development Research Alternatives (IDRA); (June 2006, found at www.idra-al.com), the public’s trust in NGOs is slightly higher than in past years. The surveys also found that the public’s trust of NGOs is higher than their trust of the government and private sectors.



A few organizations have greater name recognition in urban areas outside the capital.

newsletters. Resource Centers also provide training programs on topics such as institutional development, lobbying and advocacy, anti-corruption, networking and coalition building. The twelve CSDCs are registered as NGOs; they have their own websites and offer services to their constituents.

The well-established organizations have adequate infrastructure and equipment, such as telephones, office space, and internet access, necessary to develop their activities. They have also started to build stronger relationships with businesses and the media. The lack of financial resources, however, continues to limit their activities.

This is especially true for the media-savvy Mjaft, which celebrated its third anniversary with a televised event that included a message from the Albanian President and an appearance by Ismail Kadare, the country’s most famous novelist and citizen.

The media routinely covers and political pundits regularly debate the activities of the well-established NGOs and their representatives. As a result, the public relation skills of such NGOs have improved. The cadre of elite NGOs whose spokespeople often appear on television talk shows clearly enjoy greater access to the media. These organizations have earned the grudging respect, if not admiration, of the media, since the most-covered NGOs are often criticized rather than lauded. NGOs are participating in the drafting of a new code of ethics. Their efforts to enact a code of ethics have resulted in an awareness campaign.