



universität
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MASTER THESIS

Titel der Master Thesis / Title of the Master's Thesis

„Legal and Economic Aspects of Albania's Integration in the EU“

verfasst von / submitted by

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angestrebter akademischer Grad / in partial fulfillment of the requirements for the degree of
Master of Laws (LL.M.)

Wien, 2023 / Vienna 2023

Studienkennzahl lt. Studienblatt /
Postgraduate programme code as it appears on
the student record sheet:

UA 992 548

Universitätslehrgang lt. Studienblatt /
Postgraduate programme as it appears on
the student record sheet:

Europäisches und Internationales Wirtschaftsrecht /
European and International Business Law

Betreut von / Supervisor:

em. Professor Dr. Dr. hc. Mag. Peter Fischer

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LIST OF ABBREVIATIONS

EU- European Union

SAA- Stabilization Association Agreement

TFEU- Treaty on the Functioning of the European Union

TEU- Treaty on the European Union

ICEI- Inter-ministerial Committee for European Integration

MoEI- Ministry of European Integration

DCM- Decision of the Council of Ministers

SAP- Stabilisation and Association Process

EC- European Commission

ICITAP- International Criminal Investigative Training Assistance Program

PHARE- Poland and Hungary: Assistance for Restructuring their Economies

CARDS- Community Assistance for Reconstruction, Development, and Stability in the Balkans

GRECO- Group of States against Corruption

PAMECA- EU funded technical assistance project

OSCE- Organization for Security and Co-operation in Europe

CEPEJ- The European Commission for the Efficiency of Justice

IPA- Instrument for Pre-accession Assistance

OPDAT- Overseas Prosecutorial Development, Assistance and Training Program

ERP- Economic Reform Programme

AECT- The Agreement of Economic Cooperation and Trade

GDP- Gross domestic product

WB- Western Balkan

SEE- Southeast Europe

NEET- Not in Education, Employment, or Training

VET- Vocational Education and Training

MSME- Micro, small, and medium-sized businesses

ALL- Albanian Lek

EBRD- European Bank for Reconstruction and Development

NPL- Non-performing loans

INSTAT- International Institute of the Statistics

AIDA- Albanian Investment Development Agency

FDI- Foreign direct investment

LTV- Loan to Value

DTI- Debt-to-Income

MREL- Regulatory capital instruments and eligible liabilities

1. Chapter One: Legal Aspects of the Integration

1.1 What's the accession process into the EU, and its legal requirements.

The European Union has grown in size over the years since its creation on November 1, 1993, by admitting new member states into its fold. To become a member of the EU states interested to apply must meet certain economic and political requirements known as the Copenhagen criteria. The Copenhagen criteria are a set of guidelines that identify whether a country is qualified to become a member of the European Union. These criteria impose that a state must have the necessary institutions in place to uphold democratic governance and human rights, possess a functional market economy, and be willing to comply with the obligations and principles of the European Union.¹

The European Union consists of seven institutions that contribute to and strengthen the influence of the EU, with three of them playing a direct role in the expansion of membership. These institutions are the European Council, the European Commission, and the European Parliament.

European Council: Defines the EU's political agenda and priorities, typically through the adoption of conclusions, does not engage in negotiations or legislative adoption of EU laws.²

European Commission: Works as an autonomous and politically independent executive body, it is solely responsible for formulating proposals for new legislation in the European Union, and executing the decisions made by the European Parliament and the Council of the EU.³

European Parliament: A joint lawmaker, along with the Council with the authority to adopt and modify legislative proposals and participate in decisions regarding the EU budget.⁴

¹ Jason Gordon, 'Copenhagen Criteria - Explained' (*The Business Professor, LLC*, 22 July 2021) <<https://thebusinessprofessor.com/global-international-law-relations/copenhagen-criteria-definition>>.

² Official Journal of the European Union 'THE TREATY ON THE FUNCTIONING OF THE EUROPEAN UNION' <<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12012E/TXT>>.

³ *ibid.*

⁴ *ibid.*

As mentioned before the countries that want to join the EU have to go through what is called the Copenhagen criteria. This means that a country has to be able to implement EU laws and fulfill membership obligations creating a functioning market economy, and stable democratic institutions. Becoming an EU member involves three key steps: candidacy, accession negotiations, and treaty ratification. It begins with expressing interest and applying for candidacy, followed by negotiations to ensure alignment with EU criteria, and concludes with the formal approval of the accession treaty by both the candidate country and existing EU member states.

The green light to the process of becoming a member of the European Union⁵, is given by a unanimous decision of the European Council providing the candidacy status.

This decision is alerted by the European Commission's recommendation to legally accept a country's application. Upon granting the candidate status, an agreement must be done regarding the framework for accession negotiations between the Council and the candidate country.

As the Accession negotiations start to come to life, the candidate country must harmonize its governing laws with the EU's rules, known as the *acquis*. The negotiations start to legally conclude when all 35 *acquis* chapters, encompassing areas such as taxation, the environment, and defense policy are unanimously concluded.

During the last step after the negotiations, an accession treaty must be signed by the candidate country and the European Union, including the consent of the Council, Commission, and Parliament. Following that, the treaty undergoes ratification by both the candidate country and each EU member state, establishing its binding nature.

The Special Process for Western Balkans⁶:

Regarding its relations with the Western Balkan countries, the European Union has established a special framework called the Stabilization and Association Agreement (SAA).

⁵ European Commission, 'Accession to the EU' <https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/glossary/accession-eu_en>.

⁶ European Commission, 'Steps towards Joining' <https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/steps-towards-joining_en>.

This process has the aim of preparing the countries for potential EU membership by stabilizing them politically and promoting their transition to a market economy.

When a country is ready, it is presented with the opportunity of EU membership and enters the realm of potential candidacy. The process helps these countries adopt and implement EU laws and standards, and it is based on a close partnership between the EU and the candidate country. The EU extends diverse forms of assistance, encompassing trade benefits granting duty-free entry to EU markets, economic and financial aid, as well as assistance for reconstruction and developmental endeavors.

Agreements for stabilization and association are established as a formal partnership between the EU and the candidate country, encompassing mutual rights and obligations. The progress of each country towards EU membership is assessed step by step, with the European Commission publishing yearly progress updates in the Autumn to evaluate the progress made.

1.2 Overview of Albania's History of Integration into the EU until today

Albania's longed-for strategic and governmental aspirations are to achieve European harmonization, which is at the heart of its internal and external policies.

Before the Thessaloniki European Council summit in June 2003, the prospect of Albania, a small country, joining the EU seemed distant. However, at the summit, Albania, along with other countries in the Western Balkans, was recognized as a prospective candidate for EU membership, bringing the possibility of joining the EU closer to reality for Albania.⁷

Albania filed its application for EU membership on April 24th, 2009. Following its submission of an application for membership to the European Union, the Council of the European Union requested the European Commission on November 16, 2009, to determine if Albania is si ready for accession talks.⁸

⁷ European Commission, 'Albania' (12 October 2022)

<https://neighbourhood_enlargement.ec.europa.eu/enlargement-policy/albania_en>.

⁸ PHILLIPS LEIGH, 'Ministers Give Nod to Albania's EU Application' (*EUobserver*, 17 November 2009)

<<https://euobserver.com/eu-political/29001>>.

Furthermore, Albania had to fulfill certain requirements and meet the 12 important objectives outlined in the opinion to be considered eligible for EU membership. The Commission suggested in October 2012 that Albania should become an EU candidate, but subject to fulfilling specific measures related to judicial and public administration reforms, along with changes to parliamentary procedures. As a result, in June 2014, Albania was granted candidate status by the European Union.⁹

The European Council's decision in June 2014 to grant Albania candidate status, based on its assessment of the implemented reforms, provided a significant boost to the accession process. The candidate status also serves as motivation to expedite the pace of reforms. Additionally, in November 2013,¹⁰ the High-Level Dialogue initiative was launched with the objective of helping Albania to concentrate more on the process of European integration and to monitor its progress in the five key priority areas required for opening membership negotiations, namely: public administration reform, judicial reform, anti-corruption measures, anti-organized crime measures, and human rights protection.

Albania stands to gain several benefits from its candidate status, including the following:

Firstly, the candidate status serves as a crucial political signal for Albania, demonstrating that the country is moving in the right direction by implementing challenging but necessary reforms.

Secondly, economically, the candidate status is expected to create a more favorable business environment, promote foreign investment, and lead to stable economic growth in Albania.

Thirdly, the candidate status is likely to strengthen the collaboration between Albania and the Union, as well as its various institutions.

Fourthly, the candidate status indicates that the enlargement of the European Union is still a priority and that both the EU and its member states are committed to Albania's eventual membership, as well as the membership of other countries in the region.

⁹ Commission, 'Albania' (n 7).

¹⁰ European Parliament, '2014 Progress Report on Albania' (*European Parliament resolution of 30 April 2015 on the 2014 Progress Report on Albania*, 30 April 2015) <https://www.europarl.europa.eu/doceo/document/TA-8-2015-0181_EN.html>.

The process of Albania's potential accession to the European Union has been a long and complex one, marked by a series of milestones and decisions made by various EU bodies.

To review the advancement of the EU-Albania ties within the stabilization and association process, delegates from both sides have convened over the years at the EU-Albania Stabilization and Association Council.

The European Commission first proposed the start of membership negotiations with Albania on November 9, 2016,¹¹ contingent upon concrete progress in implementing judicial reforms. The Commission again recommended the opening of accession negotiations with Albania in its annual Enlargement Package on April 17, 2018, citing significant progress in reforms made by Albania. On June 26, 2018¹², the EU General Affairs Council agreed to set a path toward the opening of accession negotiations in June 2019, and on May 29, 2019, the European Commission reiterated its recommendation for the immediate opening of accession negotiations with Albania. The General Affairs Council reaffirmed its support for opening negotiations on June 18, 2018, and agreed to take a substantial decision on the matter by October 2019. The European Council discussed the possibility of starting membership negotiations with Albania on October 18, 2019, and resolved to revisit the topic by May 2020. On March 25, 2020,¹³ the EU General Affairs Council decided to open membership negotiations with Albania, citing the progress achieved in implementing necessary reforms. The European Council approved the decision on March 26, 2020. There have been twelve EU-Albania Stabilisation and Association Council meetings, which are convened to evaluate the progress of EU-Albania relations under the stabilization and association process. Additionally, the EU held its first intergovernmental conference with Albania on July 19, 2022. The latest council meeting, held on March 16, 2023,¹⁴ focused on reviewing progress while executing the stabilization and association agreement and discussing the accession strategy, including the political, economic, and EU-law criteria for EU membership.

¹¹ Commission, 'Albania' (n 7).

¹² *ibid.*

¹³ *ibid.*

¹⁴ *ibid.*

Overall, the updates on EU-Albania relations indicate a continued commitment towards strengthening the partnership and hopefully soon achieving the goal of Albania's EU membership.

1.3 How did Albania manage its process of integration

In May 2014, the Albanian Government approved a roadmap outlining the planned reforms within key priorities for the European Integration process. By 2015, most of the Roadmap's measures were implemented. After the European Commission's 2015 Report on Albania, the Albanian Government developed an Action Plan to address its short-term recommendations.¹⁵ The European Integration Board, a branch of the Albanian Government responsible for monitoring and supporting the European integration process, will oversee the implementation of this Action Plan.

Albania is among the five Southeast European countries that participate in the Stabilization-Association Process established at the Zagreb Summit in 2000. The country ratified the Stabilization-Association Agreement with the European Union and its Member States, which took effect on April 1, 2009. According to Article 1 of the SAA¹⁶, its objective is to promote democracy, the rule of law, political, economic and institutional stability, and cooperation between the parties. Albania committed to aligning its internal legislation with the European Union's standards, a process that must be completed within two 5-year phases by 2019 as defined in Article 70 of the SAA.¹⁷ The implementation of these measures will increase economic development and trade with the European Union and ultimately improve the quality of life of Albanian citizens.

¹⁵ European Commission 'Albania 2015 report' <https://neighbourhood-enlargement.ec.europa.eu/system/files/2018-12/20151110_report_albania.pdf>.

¹⁶ Official Journal of the EU, 'Stabilization and Association Agreement between the European Communities and Their Member States, of the One Part, and the Republic of Albania, of the Other Part' <[https://eur-lex.europa.eu/legal-content/en/TXT/PDF/?uri=CELEX:22009A0428\(02\)&rid=1](https://eur-lex.europa.eu/legal-content/en/TXT/PDF/?uri=CELEX:22009A0428(02)&rid=1)>.

¹⁷ *ibid.*

The Albanian government recognizes that attaining the status of a candidate country and advancing toward membership entails additional responsibilities and requires significant effort. It aims to intensify the reforms identified in the European Commission's Enlargement Strategy of October 2014, particularly in public administration, judicial reform, and ongoing efforts to combat corruption and organized crime, while fully respecting human rights. These efforts will move Albania closer to the opening of membership negotiations with the European Union.

To ensure the most effective EU membership, Albania has developed its own plan for European integration. In order to regulate the institutional framework and coordinate the integration process, regulations and articles have been passed by the Prime Minister's decisions. This legal basis has been organized by the National Council of European Integration in collaboration with the Delegation of the European Union.

Chapter II, article no. 6 titled "Structures responsible for European Integration"¹⁸ outlines the responsibilities and definitions of the National Council of European Integration, which serves as the highest advisory structure for European integration in Albania. Its main purpose is to encourage and facilitate extensive cooperation among political forces, public institutions, and civil society, and increase transparency in decision-making on integration matters.

The National Integration Council is led by the Chairman of the Parliamentary Committee of Integration, and the vice-chairman is the head of the Albanian delegation in the Parliamentary Committee for Stabilization-Association. It consists of chairmen and vice-chairmen of permanent parliamentary committees, representatives of parliamentary groups of the Assembly, the minister responsible for integration, representatives from the President's Cabinet, the Prime Minister's Cabinet, the Ministry of Foreign Affairs, the Prosecutor General, the Vice -Chairman of the High Council of Justice, and three representatives from civil society organizations involved in European integration.

In addition, independent constitutional institutions and those established by law, representatives from the Academy of Sciences, public universities, media, business organizations, chambers of commerce and trade unions, international organizations, and the diplomatic corps participate in

¹⁸ 'Summary of the legal basis <https://www.osfa.al/sites/default/files/permbledhje_e_bazave_ligjore.pdf>.

meetings of the National Council of European Integration as permanent guests. The Council also invites responsible ministers and dependent institutions to participate in meetings based on the theme.

The Council has a number of responsibilities, including promoting cooperation between political forces, state and independent institutions, and civil society in the EU integration process.¹⁹

It continuously discusses EU integration policies implemented by state institutions, civil society, and other interested actors, monitors the implementation of obligations for opening negotiations with the EU, and analyzes the existing normative framework and practices related to the EU integration process.

Furthermore, the Council ensures continuous cooperation with permanent parliamentary commissions and other structures responsible for European integration, monitors the progress of negotiations/talks for membership, advises or gives opinions regarding the negotiation process, sustains contact communication, and facilitates information exchange with the President of the Republic of Albania, the President of the Assembly and the Prime Minister, and reports at least once a year to the Assembly on the work of the Council.

The Council drafts and approves relevant recommendations for the examined issues, which are forwarded to the institutions responsible for the matter in question. Additionally, the Council advises on important issues related to the EU integration process.

2. Chapter Two: Embracing the European Union, a progress report

2.1 Albania's current legal system and how will they align with EU law

Following the collapse of communism, significant changes have been made to the legal system in Albania for two primary reasons. The first reason pertains to the political, economic, and social reforms implemented by the Albanian government in the early 1990s. The second reason

¹⁹ *ibid.*

relates to the impact of international organizations, specifically the Council of Europe and the European Union. The Albanian government has aligned its foreign policy with these organizations and made efforts to comply with their requirements to the fullest extent possible. These factors have played a crucial role in the transformation of the Albanian legal system to align more closely with European best practices.

As a parliamentary constitutional republic, the Albanian people are the ones to hold the ultimate authority. The Constitution, endorsed through a popular referendum on November 28, 1998, serves as the highest law of the land. Albania adheres to a governance system that embraces the principles of division of power and checks and balances among the legislative, executive, and judicial branches.²⁰

The legislative branch is represented by a unicameral Parliament, known as “Kuvendi” (assembly), that comprises 140 seats. Members of Parliament are elected via popular vote and serve a four-year term. The internal structure of Parliament includes the Speaker, Deputy Speakers, the Bureau of Parliament, Parliamentary Groups, and Parliamentary Commissions. The Parliament has the power to form Special and Investigatory Commissions upon a motion by a quarter of its members.²¹

The executive branch is composed of the President, who serves as the Chief of State, the Prime Minister, who serves as the Head of Government, and the Council of Ministers. The President is elected by a three-fifths majority vote of all Parliament members and serves for up to two five-year terms. While the position is largely ceremonial, the President has the power to appoint and dismiss certain civil servants in the executive and judicial branches and issue decrees. The Prime Minister, on the other hand, is appointed by the President and approved by the Parliament and serves for a four-year term. The Council of Ministers, which is made up of the Prime Minister, Deputy Prime Minister, and 18 ministers, introduces legal acts necessary for implementing the Constitution and issues decisions, instructions, regulations, and orders to enforce the laws

²⁰Scott N. Carlson

‘Chapter11_Framing.Pdf’ <https://www.usip.org/sites/default/files/Framing%20the%20State/Chapter11_Framing.pdf> .

²¹ Mbarena Veleshnja, ‘Researching the Albanian Legal System - GlobaLex’ <<https://www.nyulawglobal.org/globalex/Albania1.html#thejudi>>.

approved by the Parliament.²²

Albania is collaborating closely with the European Union to implement the necessary changes for its progression towards becoming a member of the EU.

The Stabilization and Association Agreement (SAA) is a mixed or associate agreement that allows for the establishment of a reciprocal association involving shared responsibilities and special procedures between the European Union and one or more third countries or international organizations²³. The SAA serves as the legal foundation for the EU and Member States to engage with candidate countries, outlining the formal mechanism and agreed-upon benchmarks necessary to bring them closer to EU standards. The SAA is a driving force for Western Balkan countries to aspire to European membership based on their own merits, as it is subject to strict conditionality.

Albania signed the SAA in 2006, and it was ratified by all EU member states by April 2009 in compliance with their constitutional requirements²⁴. According to Albania's constitution,²⁵ international agreements become part of the internal legal system once published in the Official Journal. Any decision agreed upon in SAA, as well as other international agreements ratified by the Republic of Albania, is binding and directly applicable once in force, taking precedence over domestic law.

Approximating domestic legislation with the EU acquis is a condition for candidate states' accession to the EU, as established by the European Council in the Copenhagen Summit in 1993. Any European country aspiring to join the EU must adhere to the Community acquis and take on the obligations of membership, including those related to political, economic, and monetary union²⁶. Therefore, the approximation of laws is critical for candidate countries to meet EU standards, as they must gradually align their existing and future legislation with the Community

²² *ibid.*

²³ Official Journal of European Union 'CONSOLIDATED VERSION OF THE TREATY ON THE FUNCTIONING OF THE EUROPEAN UNION' 12 October 2022 <<https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:12012E/TXT:en:PDF>>.

²⁴ International Trade Administration, 'Albania - Trade Agreements' (9 October 2021) <<https://www.trade.gov/country-commercial-guides/albania-trade-agreements>>.

²⁵ Constitution, 'Albania 1998 (Rev. 2016)' <https://www.constituteproject.org/constitution/Albania_2016?lang=en>.

²⁶ European Council, 'European Council Conclusions (1993-2003)' (21 January 2022) <<https://www.consilium.europa.eu/en/european-council/conclusions/1993-2003/>>.

acquis. Article 70(1) of the SAA emphasizes the importance of Albania's gradual alignment of its existing legislation with the Community's and its effective implementation, meaning that Albania must endeavor to ensure compatibility with the Community acquis²⁷.

Based on the word's "approximation" and "shall endeavor," it can be concluded that the SAA is voluntary and encourages harmonization but does not obligate Albania to incorporate the acquis.²⁸

The SAA's endeavors clauses, outlined in article 70 (1), are a requirement for accession to the EU, as stated in article 49 of TEU and confirmed by the Copenhagen Summit. However, Albania's progress towards EU membership hinges on bringing its laws in line with EU standards and effectively enforcing them, regardless of these clauses.²⁹

Additionally, the provisions related to the approximation of laws as detailed in article 70 (1) of the SAA encompass two major elements. The first element involves adjusting new legislation to conform to EU laws, while the second element pertains to effectively enforcing this legislation. It is vital for aspiring EU member countries to pay equal attention to both aspects.³⁰

So what steps has Albania taken thus far to align its legislation with the EU's standards?

Albania has made moderate progress towards reforming its public administration. Several initiatives have been undertaken in various areas, including enhancing the efficiency and transparency of public services delivery, improving the regulatory framework for policy impact assessment, introducing more transparent recruitment procedures, and strengthening the administration's ability to conduct merit-based civil service procedures.³¹

²⁷ 'Consolidate Version of Treaty on the Functioning of the European Union (TFEU)' <<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C:2016:202:FULL&from=EN>>.

²⁸ European Commission, 'Stabilisation and Association Agreement' <https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/glossary/stabilisation-and-association-agreement_en>.

²⁹ 'Consolidate Version of Treaty on the Functioning of the European Union (TFEU)' (n 27).

³⁰ Journal of the EU (n 16).

³¹ European Commission, 'Key findings of the 2019 Report on Albania' (*European Commission*, 29 May 2019) <[file:///C:/Users/HP/Downloads/Key_findings_of_the_2019_Report_on_Albania%20\(1\).pdf](file:///C:/Users/HP/Downloads/Key_findings_of_the_2019_Report_on_Albania%20(1).pdf)>.

In terms of anti-corruption Albania has taken certain measures, showing a degree of preparedness in this regard. Notably, the country has adopted a new Action Plan (2018-2020) for implementing the Inter-sectoral Strategy against Corruption, made amendments to the Law on the Declaration and Audit of Assets and the Law on Public Procurement, and established a Code of Conduct for Members of Parliament. Additionally, the creation of an Anti-corruption Task Force has resulted in increased proactivity in administrative investigations.³²

Regarding the judicial system in Albania, there has been some level of preparation. The consistent implementation of comprehensive justice reform has resulted in notable progress. The introduction of new judicial institutions, such as the High Judicial Council, High Prosecutorial Council, and Justice Appointment Council, has played a vital role in enhancing the judiciary's independence and accountability. Additionally, the ongoing vetting process for judges and prosecutors has made steady progress, yielding tangible outcomes.³³

There has also been a certain level of preparedness on the part of Albania in combating organized crime. The police have intensified their operations to dismantle criminal organizations, resulting in numerous arrests, as well as several significant indictments and convictions. As a result of these efforts, known leaders of organized criminal groups have been arrested and prosecuted.³⁴

In terms of fundamental rights, Albania's legal framework aligns with European standards and it largely adheres to international human rights instruments. During the period under review, Albania endeavored to meet its obligations under these legal instruments. As for freedom of expression, the legislative environment in Albania is favorable, yet more efforts are needed to ensure its proper implementation. On migration, Albania has taken steps to enhance its institutional capacity for border management and asylum, including signing the European Border and Coast Guard Status Agreement with the EU in October 2018.³⁵

³² *ibid.*

³³ *ibid.*

³⁴ *ibid.*

³⁵ *ibid.*

In summary, Albania has made some progress in various areas, but there are still several challenges that need to be addressed to ensure full compatibility with EU law and to integrate into the EU. These challenges include reducing corruption, improving the efficiency and effectiveness of the justice system, enhancing the effectiveness of law enforcement efforts to combat organized crime, ensuring the proper implementation of laws protecting fundamental rights, and effectively managing migration flows. To address these challenges, Albania needs to undertake further reforms and enhance its institutional capacity in these areas.

2.2 Approximation of Albanian legislation with the *acquis* of the EU

The term "EU *acquis*," also known as "*acquis communautaire*", refers to the EU's body of law, which consists of primary legislation (treaties) and secondary legislation (such as directives and regulations), as well as the EU Treaties.

The primary legislation is made up of treaties, most notably the 1957 Treaty on the Functioning of the European Union (TFEU)³⁶ and the 1992 Treaty on the European Union (TEU, amended), as well as Treaties of Accession signed with new member countries. The treaties serve as the political and legal foundation for all EU institutions' decisions, and they become part of national law.

International treaties signed by the European Communities, such as the Stabilization and Association Agreement with Albania, are also incorporated into primary law.

The process of making the relevant provisions of different legal systems coherent with one another, whether called approximation, harmonization, alignment, or something else, is based on a simple concept. It must occur in order for a community like the European Union to function effectively and efficiently with members from various legal systems. The Manual generally uses the term "approximation" to describe this process, which will accelerate as Albania moves closer to EU accession.

³⁶ European Parliament, 'Treaty of Rome' (*Treaty of Rome*) <<https://www.europarl.europa.eu/about-parliament/en/in-the-past/the-parliament-and-the-treaties/treaty-of-rome>>.

The specific obligation to align Albanian legislation with that of the EU stems from the Stabilization and Association Agreement (SAA), which was signed on June 12, 2006, and became effective on April 1, 2009³⁷. The adoption and implementation of the EU acquis are to focus on the main internal market elements during the first stage of SAA implementation, that is, the first five years after the Agreement's entry into force: competition; intellectual, industrial, and commercial property rights; public procurement; standardization and certification; financial services; land and sea transportation; company law; accounting; consumer protection; data protection; protection of the environment.³⁸

The alignment of Albanian legislation with the EU acquis is difficult and complex. It requires Albania to not only build a regulatory framework that meets the requirements of the acquis, but also to ensure the administrative structures and other conditions required for implementation of the acquis. Thus, the approximation process extends beyond merely legislative drafting tasks and, more importantly, necessitates special attention to the policy development stage and cost analysis in order to make informed decisions and produce qualitative legal texts.

The Inter-ministerial Committee for European Integration (ICEI)³⁹ and the Inter-institutional Coordination Committee for European Integration (ICCEI)⁴⁰ were established with the adoption and entry into force of Prime Minister's order, the rule No. 46 dated 01.04.2009 about how different groups in the government will work together to keep promises they made in an important agreement.

The ICCEI is in charge of assessing the impact of legislation on the EU acquis, among other things.

³⁷ Commission, 'Stabilisation and Association Agreement' (n 28).

³⁸ *ibid.*

³⁹ The Luxembourg Government, 'The Inter-Ministerial Committee on Integration (CII)' (21 January 2021) <<http://mfamigr.gouvernement.lu/en/le-ministere/attributions/integration/comite.html>>.

⁴⁰ EWB Archives, 'Minister Gjoshë Convenes the Inter-Institutional Coordination Committee for European Integration' (*European Western Balkans*, 10 February 2016) <<https://europeanwesternbalkans.com/2016/02/10/minister-gjoshë-convenes-the-inter-institutional-coordination-committee-for-european-integration/>> accessed 23 April 2023.

To that end, permanent subcommittees and inter-institutional working groups at the technical level comprised of civil servants are planned for the acquis's chapters.

They will represent Albania in the Sub-Committees on Stabilization and Association⁴¹.

Already in 2006, amendments to the Council of Ministers Rules mandated the Ministry of Integration (MoEI) to coordinate and ensure the conformity of Albanian legislation with the EU acquis.

In carrying out this function, the MoEI oversees the completion of a series of checks to ensure that the draft act is compatible with the acquis in accordance with the "Instruments of Approximation" included in the Annex to the Rules of the Council of Ministers, i.e. the Tables of Concordance.

The MoEI plays two critical roles in the approximation process in this framework:

It assists line ministries in identifying those acts of the EU acquis that are to be transposed in a specific field during the preliminary drafting phase; After the act has been drafted, it verifies the level of compliance of Albanian legislation with the acquis.

The MoEI examines the compatibility of the draft act in accordance with the EU acquis in accordance with the Instruments of Approximation in the Rules Annex, namely the Report on Approximation and Concordance Tables. Following this review, the MoEI has the authority to return the draft act to the responsible Ministry if it lacks the proper explanatory memorandum and table of concordance in accordance with the Annex to the Rules of the Council of Ministers.

When the Council of Ministers approves a draft act and sends it to the Assembly, the process does not end there. According to Articles 68/2 and 68/4 of the Assembly Rules, every draft law should have an attached report on conformity with EU law, and the Speaker may return the draft to the initiator if this requirement is not met.⁴²

⁴¹ '01_ipa_2008_saa_implemenation_process_en.Pdf' <https://neighbourhood-enlargement.ec.europa.eu/system/files/2016-12/01_ipa_2008_saa_implemenation_process_en.pdf> accessed 23 April 2023.

⁴² Legislation Government, 'Commission Implementing Regulation (EU) No 809/2014 of 17 July 2014 Laying down Rules for the Application of Regulation (EU) No 1306/2013 of the European Parliament and of the Council with Regard to the Integrated Administration and Control System, Rural Development Measures and Cross Compliance' (<https://webarchive.nationalarchives.gov.uk/eu-exit/https://eur-lex.europa.eu/legal->

The first challenge that drafters face during the transposition process is determining how to Complement national legislation with the *acquis*. The line ministry is responsible for completing the transposition. The inter-ministerial working group assigned more than one responsible institution to do the job.

During the pre-accession stage, there are two approaches for transposing EU legislation into the domestic legal system, the second of which can only be used in exceptional circumstances, as explained below⁴³:

1. The basic approach is to transpose the substance of the directive or regulation into the national legal order using standard national legal drafting techniques, in such a way and to such an extent that consistency and full transposition are facilitated. In all cases, an adequate translation of the EU legal act is required; without one, its provisions cannot be fully understood or complied with.
2. The second approach is to copy selected parts of the directive or regulation's text into a national legal act (after careful translation). This method is appropriate when there are technical and very detailed provisions, which are frequently in the form of lists, tables, formulas, and numbers.

2.3 The role of EU Institutions in the accession process.

In order for Albania to meet the requirement of the European Integration process, an institutional framework must be established to approximate its domestic legislation.

The year 2004 is an important turning point in Albanian European integration.

First, it begins with a specific law that was enacted to regulate the role of Parliament in the European Integration process. After this happened, the Ministry for European Integration was established to oversee the integration process. It's important to be noted that, prior to that time,

content/EN/TXT/?uri=CELEX:02014R0809-20191101) <<https://www.legislation.gov.uk/eur/2014/809/article/68>> accessed 23 April 2023.

⁴³ Wim Voermans, 'Transposition of EU Legislation into Domestic Law: Challenges Faced by National Parliaments' <https://www.europarl.europa.eu/cmsdata/226406/IPOL_Briefing_Transposition_of_EU_legislation_into_domestic_law.pdf>.

all issues associated with the approximation process were managed by the Ministry of Justice's department on the approximation of legislation with the *acquis*.

Most recently revised in 2016, the Albanian Constitution maintains that the parliament is the primary and only lawmaker of the country.⁴⁴

Preceding that, in 2004, the first law that gave the Parliament express authority over matters relating to European Integration was passed. The law that strengthened the role of Parliament as the highest law-making body in the process of European Integration was ratified in 2015, by using the best European practices and reflecting trends of Assemblies of countries in Central and Eastern Europe.

The legal framework established in 2015, relatively speaking with the one in 2004, expanded the scope of the Parliament's responsibilities and clarified the institutional structure within the Parliament to address European integration issues.⁴⁵

As a result, this law expands the scope of Parliament to include the following responsibilities:

1. monitoring and regulating the application of the law;⁴⁶
2. regulating the distribution of financial instruments to support integration; and
3. increasing transparency by informing the general public about the European integration process.

In the context of the institutional system, Law 15/2015⁴⁷ established two types of institutions: advisory institutions and permanent institutions.

The enactment of Law 15/2015 resulted in the creation of the National Council on EU Integration., which is assisted by the Technical Secretariat⁴⁸, as well as the Stabilization and

⁴⁴ 'Albania_2016.Pdf' <https://www.constituteproject.org/constitution/Albania_2016.pdf?lang=en> accessed 28 April 2023.

⁴⁵ Gentiola Madhi, 'PARLIAMENT'S ROLE IN THE EU INTEGRATION PROCESS: IN SEARCH OF A GENUINE CATALYST' <<http://www.eupolicyhub.eu/wp-content/uploads/2019/04/KKIE-brief-en.pdf>>.

⁴⁶ *ibid*.

⁴⁷ *ibid*.

⁴⁸ Gentiola Madhi, 'THE NEWBORN: AN ASSESSMENT OF THE NATIONAL COUNCIL ON EUROPEAN INTEGRATION' <http://www.eupolicyhub.eu/wp-content/uploads/2017/09/Brief_1_ENG_The_Newborn_An_Assessment_of_the_Nationa.pdf>.

Association Parliamentary Committee established in the framework of the SAA.

As the name implies, the primary function of these institutions is to advise Parliament on European integration issues. The National Council on European Integration is the highest advisory institution established within the Parliament with the goal of promoting and ensuring cooperation between different Albanian actors ⁴⁹ - political parties, public institutions, and civil society - on Albania's European perspective and ensuring transparency in decision-making.

In order to ensure that a wide scope is covered, the National Council on European Integration is made up of various actors representing various interests.

The chairman of the National Council on European Integration Chairmen and Deputy Chairmen of Permanent Parliament Committees; Representatives from Parliamentary Groups; Head of Albanian Delegation of Stabilization and Association Committee; Ministry Responsible for European Integration; Representatives from President's Chief of Staff, Council of Ministers, and Ministry for Foreign Affairs; General Prosecution; Deputy Chairman of High Council of Justice, Ombudsman and three members from civil society.⁵⁰

The Stabilization and Association Parliamentary Committee was established as a meeting place for members of the Albanian Parliament and the European Parliament. In order to exchange perspectives within the framework of the Stabilization and Association Agreement. The European Parliament and the Albanian Parliament preside over the Stabilization and Association Parliamentary Committee in turn, in accordance with the procedures established by them.

The Committee for European Integration is a permanent organ of Parliament established in accordance with Article 18 of the Parliament Regulation.

⁴⁹ Madhi (n 45).

⁵⁰ European Parliament, 'The Council of the European Union | Fact Sheets on the European Union | European Parliament' (30 April 2022) <<https://www.europarl.europa.eu/factsheets/en/sheet/24/the-council-of-the-european-union>>.

The main purpose of the Committee for European Integration is to monitor: ⁵¹

- a) the conformity of laws with the EU acquis;
- b) the obligations derived from the SAA; and
- c) the financial assistance provided to Albania.

The Committee for European Integration has various responsibilities toward achieving its goals of EU integration.

To begin with, the Committee for European Integration is responsible for achieving its goals through various means, including collaborating with other parliamentary committees to review draft laws related to aligning legislation with EU acquis.

Second, the Committee for European Integration monitors: ⁵²

- a) the implementation of the obligations arising from the EU accession process;
- b) the overall framework of membership negotiations; and
- c) the implementation of Albanian legislation aligned with EU legislation, in collaboration with the other Permanent Committees.

Third, the Committee for European Integration encourages and monitors the Ministry of European Integration's compilation and updating of the national plan for European integration.

Fourth, the Committee for European Integration collaborates with the Stabilization and Association Parliamentary Committee to strengthen cooperation with European Parliament bodies and parliaments of EU member countries.

Finally, the Committee for European Integration works with civil society organizations to provide information and ensure their participation in the process of European integration.

⁵¹ 'IPA National Programme 2010 for Albania Project fiche no 4: "Strengthening the Assembly of Albania"' <https://neighbourhood-enlargement.ec.europa.eu/system/files/2016-12/pf4_parliament_en.pdf>

⁵² 'Ipa_2017_040209-01_eu_integration_facility.Pdf' <https://neighbourhood-enlargement.ec.europa.eu/system/files/2018-01/ipa_2017_040209-01_eu_integration_facility.pdf>

The executive branch plays an important role in the convergence of legislation. The main players are the Council of Ministers, the Ministry of European Integration, and line ministries.

According to article 13 of Law 15/2015, the Council of Ministers informs the Parliament on the work done at various EU institutions, with specific reference to:⁵³

- a) draft agreements and conventions to be adopted in the framework of membership;
- b) draft acts dealing with commitments stemming from European Union treaties, excluding administrative acts; and
- c) draft acts stemming indirectly from the European integration process.

The Council of Ministers has the authority to prepare and submit an updated draft list in order to schedule Parliament's agenda and determine the scrutiny procedure.

The Committee for European Integration is responsible for scrutinizing the proposed updated draft list and, in collaboration with other Permanent Committees, preparing a special report with recommendations to be forwarded to the Council of Ministers.⁵⁴

Finally, by the end of January each year, the Council of Ministers submits to the Parliament a detailed report on:⁵⁵

- i) the fulfillment of obligations outlined in the Act; and
- ii) the implementation of the Act.National Plan for European Integration,
- ii) the current state of negotiations between the EU and Albania, and
- iii) the previous year's management of the EU fund and other donors.

The report is debated in a plenary session, and the resolutions are finally approved by Parliament.

Furthermore, following the release of the EC Progress Report, the Council of Ministers is required to report to the Parliament on the findings, recommendations, and commitment to address the recommendations laid out.⁵⁶

⁵³ 'Statut_ce_2015-En.Pdf' <https://assembly.coe.int/nw/xml/rop/statut_ce_2015-en.pdf> accessed 4 May 2023.

⁵⁴ European Council, 'The Decision-Making Process in the Council' (2 February 2023) <<https://www.consilium.europa.eu/en/council-eu/decision-making/>>.

⁵⁵ 'Albania_2016.Pdf' (n 44).

⁵⁶ *ibid.*

Another important institution in the approximation process is the Ministry for European Integration, which was established in 2004 by a Decision of the Council of Ministers (DCM).⁵⁷

Until then, the Ministry of Foreign Affairs was in charge of all issues concerning the European integration process.

The prospect of membership presented at the Thessaloniki Summit (2003) enabled the Albanian government to establish an institution at the ministry level to: ensure technical guidance and coordination of the Republic of Albania's integration process in the European Union, through the approximation of national legislation to EU law and the drafting of integration policies, coordination of financial assistance and public information in this process.⁵⁸

A new DCM 946 was enacted in 2013, repealing the previous one. The Ministry for European Integration performs four types of activities, according to DCM No 946/2013 On the Scope of Ministry of European Integration. First and foremost, the Ministry for European Integration coordinates and monitors Albanian institutions' efforts to meet SAP commitments.

Second, the Ministry for European Integration develops the National Plan for SAA Implementation and methodologies to facilitate the implementation of sector reforms mandated by the SAA.

Third, the Ministry for European Integration evaluates the conformity of legislation proposed by line ministries and other central institutions to the EU acquis and certifies the translation of the basic documentation required for the approximation of national legislation to the EU acquis.

Fourth, the Ministry for European Integration participates in working groups established by the government to develop integration programs, exchange information, and organizes regular meetings at the national, regional, and international levels in the context of the EU integration process.

Finally, in 2006⁵⁹, Line Ministries were established with the goal of assisting main ministries in the approximation process. In 2015, the Council of Ministers took a significant step by adopting

⁵⁷ 'Pf4_parliament_en.Pdf' (n 51).

⁵⁸ 'Pf3_support_to_eu_integration_en.Pdf' <https://neighbourhood-enlargement.ec.europa.eu/system/files/2016-12/pf3_support_to_eu_integration_en.pdf>.

⁵⁹ '01_ipa_2008_saa_implemenation_process_en.Pdf' (n 41).

a new decision to establish both the Network of European Integration Units and the Network of Drafting Legislation in Line Ministries.

As the title suggests, two units with distinct functions were established.

As a result, each Ministry will have European Integration Units responsible for maintaining relations with other units and the Ministry of European Integration within the framework of SAA obligations. The Units for Drafting Legislation, on the other hand, are only responsible for the drafting process and determining whether draft acts are in compliance with the EU acquis.

3. Chapter Three: The Impact of EU Law on Albanian's Legal System, assessing the transformative effects

3.1 The impact of EU law on Albanian's legal system

Albania's relationship with the European Union (EU) has been defined by the Albanian government's long-standing desire to join the EU. The EU has played an important role in shaping Albania's legal system over the years by providing technical and financial assistance as well as exerting pressure on the country to implement legal reforms. As a result, Albania has made significant strides in aligning its legal framework with EU standards. The impact of EU law on Albania's legal system has been overwhelmingly positive, as it has contributed to modernizing the country's legal system and bringing it more in line with European norms and values.

In its 2014 progress report, the European Commission emphasizes the need to reform the judiciary, particularly key institutions such as the Constitutional Court, High Court, High Council of Justice, and the prosecution.⁶⁰

Since 2014, and well before the European Commission's recommendation to begin accession

⁶⁰ Official Journal of the European Union, 'Council Decision of 18 February 2014 Extending the Validity of Decision 2012/96/EU' <<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014D0096>>.

negotiations with the European Union (EU)⁶¹, Albania has been undergoing a comprehensive reform of its judiciary system. However, while Albania's reforms were progressing, the new enlargement methodology allowed member states to play a larger role in the EU accession process.

While the European Commission employs its chapter-based methodology, which is now cluster-based, member states tend to focus more on reform progress, to include a high degree of political conditionality, and to apply such conditionality prior to the official start of accession negotiations, as the case of Albania (and North Macedonia) demonstrates.

The new enlargement methodology incorporates the "rule of law" and "functioning of democratic institutions" into the "fundamentals" cluster, which eventually leads to increased scrutiny during the implementation phase and on the good governance component. This development emphasizes the significance of the European Union's *acquis Communautaire* and the functioning of reformed local institutions.⁶²

Albania's justice system reform has been the primary focus of the enlargement instruments of political dialogue, conditionality, and assistance.

Similarly, the shift toward fundamentals and increased role of EU member states may result in a longer and more complex enlargement process. As a result, Albania's justice reform enables a deeper analysis of the complex issues that surfaced during the implementation of the *acquis Communautaire* and the establishment of new governance structures. This goes beyond a mere adoption of the *acquis Communautaire* and a capacity-building approach. It also offers a one-of-a-kind experience in which enlargement is intertwined with institutional reforms in the country and EU member states have taken the lead in scrutinizing progress toward EU membership.

⁶¹ European Council, 'Council Conclusions on Enlargement and Stabilisation and Association Process - Albania and the Republic of North Macedonia' <<https://www.consilium.europa.eu/en/press/press-releases/2020/03/25/council-conclusions-on-enlargement-and-stabilisation-and-association-process/>>.

⁶² European Commission, 'Communication from the Commission to the European Parliament and the Council' <<https://primarysources.brillonline.com/browse/human-rights-documents-online/communication-from-the-commission-to-the-european-parliament-and-the-council;hrdhrd46790058>>.

Despite the EU frequently monitoring Albania's progress towards the required reforms for EU accession, an AdHoc Parliamentary Committee on Justice Reform was established⁶³. This committee consisted of experts from the EU, the United States, as well as local and international professionals who conducted an in-depth analysis of the Albanian justice system. The findings of the report were utilized to develop a comprehensive strategy and action plan aimed at overhauling the existing corrupt, inefficient, and dysfunctional justice system, while simultaneously reinforcing established institutions and establishing new efficient ones where necessary.

Among the reforms were the establishment of a full-fledged system of vetting judges and prosecutors, the establishment of new institutions governing the judiciary, the establishment of a special prosecution and courts for the fight against corruption and organized crime, and the substantial reform of existing institutions such as the Supreme Court, Constitutional Court, and General Prosecutor's Office. But, halfway through, and stymied by an absent Constitutional Court and a High Court, it became clear that a Catch-22 situation existed: the will of the main political actors was critical in pushing forward institutional reforms.⁶⁴

The same scenario can be found in other Western Balkan countries. Unlike the Western Balkan enlargement frontrunners, Albania concluded the constitutional process of restructuring its judiciary prior to commencing negotiations for EU accession. The emphasis has now shifted to the proper operation and efficiency of the newly established structures and institutions. By frontloading conditionality, Albania has been able to make substantial strides in numerous aspects related to Chapter 23⁶⁵, despite not having commenced formal negotiations for EU accession.

⁶³ Justice Reform, 'Dokumenti strategjik dhe plani i veprimit' (*Reforma Ne Drejtesi*, 17 April 2015) <<http://www.reformanedrejtesi.al/dokumenti-strategjik-dhe-plani-i-veprimit>>.

⁶⁴ 'EU-Enlargement-in-Balkans-and-Justice-Reform-in-Albania-1.Pdf' <<https://cdinstitute.eu/wp-content/uploads/2020/09/EU-Enlargement-in-Balkans-and-Justice-Reform-in-Albania-1.pdf>> accessed 10 May 2023.

⁶⁵ European Commission, 'Chapters of the Acquis' (6 June 2012) <https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/conditions-membership/chapters-acquis_en>.

Albania's justice reform has demonstrated the complexities of associating a country's progress toward compliance with EU conditionality while undergoing a costly and lengthy process of deep reforms, and of demonstrating quick tangible outcomes and results. Nonetheless, despite its flaws and shortcomings, the scope and depth of Albania's justice sector reform serve as a case study for understanding, assessing, and adapting the systemic significance of EU membership-driven reform processes in the Western Balkans.

When compared to other EU candidate countries in the region, Albania can be considered a reform frontrunner, having amended more than one-third of its Constitution.

From this vantage point, the experience of the justice sector reform in Albania, as well as the lessons learned during the design and implementation of the justice reform, can be applied in other sectors and in other Balkan countries.

In order to focus on good governance and the toughness of new justice institutions, a crucial part of the EU's foreign policy instruments of political dialogue, conditionality, and assistance applied to Balkan countries must be reoriented and redesigned. Political will and sound governance both play important roles and have an impact on Albania's progress toward EU membership.

3.2 The EU *acquis Communautaire* as the body of EU law that Albania will need to adopt and implement.

Eugene Bardash, a famous American political scientist has explained the implementation process as “what happens after a bill becomes a law”?

There are a lot of definitions made about the implementation process that brings us to two important conclusions. Firstly, the EU *acquis* is not negotiable, and second, the implementation has to be done by the administration of the countries that aspire to be part of the EU.

The latter means that the administration has a critical responsibility when it comes to a country's integration process, especially when it comes to implementation.

As cited in the White Paper on the Preparation of the Associated Countries of Central and Eastern Europe for Integration: “ 3.25 The main challenge for the associated countries in taking over internal market legislation lies not in the approximation of their legal texts, but in adapting their administrative machinery and their societies to the conditions necessary to make the legislation work. ” ⁶⁶

Upon reading this quote, two questions emerge: Why is the implementation of the law so important in the integration process, and if Albania has encountered any problems during its journey.

What gives implementation procedure a crucial role in a country's integration procedure are these two aspects:

Firstly, how far the EU can go as a transformative power in influencing domestic legal systems, and secondly, how far the applicant countries are willing to go.⁶⁷ In terms of transformative power, the EU is wielding and disseminating its norms in unprecedented ways through conditionality. So, in our case, Albania cannot pick and choose which parts of the *acquis* they want. The beauty of the *acquis*, as acknowledged by previous enlargements, is that it is not negotiable between parties.

Parties can negotiate the time required or the method of harmonization, but not the essence of the *acquis*, because applicant country accession is contingent on acceptance of all the rights and obligations on which the EU is founded.

The effectiveness of the implementation procedure is pivotal, as it hinges on various factors, including the presence of a weak bureaucracy or an uneven distribution of human capacities. Another significant aspect is the lack of a well-established practice of consulting with interest

⁶⁶ "Commission Of The European Communities", White Paper Preparation Of The Associated Countries Of Central And Eastern Europe For Integration Into The Internal Market Of The Union <<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:51995DC0163>> a.

⁶⁷ Kristin Archick, 'The European Union: Questions and Answers' The European Union <<https://sgp.fas.org/crs/row/RS21372.pdf>>.

groups on specific draft legislation. Furthermore, it encompasses the challenge of implementing sound planning mechanisms and conducting realistic assessments. Addressing these issues is essential for successful implementation.⁶⁸

According to the 2012 EC Progress Report⁶⁹, bureaucracies suffer from shortcomings related to politicization and a lack of meritocracy in the recruitment, promotion, and dismissal of civil servants. Another factor influencing implementation is political parties' commitment to effectively meet EU requirements on administrative capacity strengthening.

Unfortunately, Albania's candidacy status was delayed as a result of insufficient collaboration among political parties in implementing the laws specified in the 2010 EC Progress Report, specifically the Civil Service Law.⁷⁰ The Albanian Government passed a new Civil Service Law in May 2013, with an expected implementation date of October 1st, 2013. However, due to technical difficulties in the new government led by the Socialist Party, this was delayed by 6 months.

This law, one of the Commission's priorities for obtaining candidate status, was a major step toward depoliticizing the public sector and establishing a professional, effective, and merit-based public administration.⁷¹

According to the 2013 EC Progress Report,⁷² the process of aligning legislation with the *acquis* is accompanied by ineffective legislation implementation. The report points out that the legislative drafting process in Albania is hampered by a lack of analytical capacity and high staff turnover in line ministries, as well as a lack of transparency and consultation with relevant stakeholders.

⁶⁸ 'BTI 2022 Albania Country Report' (*BTI 2022*) <<https://bti-project.org/en/reports/country-report?isocode=ALB&cHash=13f7d33f277992f4d44a4928280f066f>>.

⁶⁹ European Commission, 'Albania Progress Report 2012' (10 October 2012) <https://neighbourhood-enlargement.ec.europa.eu/albania-progress-report-2012_en>.

⁷⁰ European Commission, 'ANALYTICAL REPORT 2010' <<https://primarysources.brillonline.com/browse/human-rights-documents-online/communication-from-the-commission-to-the-european-parliament-and-the-council;hrdhrd46790058>> accessed 12 May 2023.

⁷¹ European Commission, COMMISSION STAFF WORKING DOCUMENT ALBANIA 2013 PROGRESS REPORT 2013. <<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=SWD%3A2013%3A0414%3AFIN>>.

⁷² *ibid.*

The Commission report describes two major shortcomings in Albania's approximation process in just one sentence. These flaws have an impact on the quality of legislation.

In terms of implementation, public consultation is the process during the preparatory and adoption phases that with the participation of interested parties increase the transparency in decision-making and the quality of law.

On October 30, 2014, in order to address the lack of public participation the Albanian Parliament passed Law 146/2014 “On Public Notification and Consultation”.

The purpose of this law was to govern the process of notifying and consulting the public on draft laws, national and local strategic drafts, and policies of high public interest.⁷³

This Law established the procedural rules to be followed in order to ensure transparency and public participation in public bodies' policy-making and decision-making processes. The willingness of stakeholders to participate in the integration process determines the implementation process.⁷⁴

Aside from the inability of civil society to influence decision-making during the drafting and implementation processes, implementation is also dependent on political will to provide a sound planning mechanism for carrying out a realistic assessment of the impact of laws in terms of the infrastructure required for implementation. Political will is a determining factor in law adaptation and implementation.

3.3 Challenges Albania may face in harmonizing its legal system with EU law.

Albania has faced a transition period to change its economy, political system, organization, and mentality from a dictatorial regime to a democratic system, resulting in a large number of difficult challenges in order to achieve its aspirations since the first democratic elections in 1991.

⁷³ ‘WeBER2.0_Reci-Angjeli_Ticking-the-Box-for-Public-Consultations_brief_IDM_12.2021_final-1-1.Pdf’ <https://www.thinkforeurope.org/wp-content/uploads/2022/02/WeBER2.0_Reci-Angjeli_Ticking-the-box-for-public-consultations_brief_IDM_12.2021_final-1-1.pdf> .

⁷⁴ European Commission COMMISSION STAFF WORKING DOCUMENT ALBANIA 2013 PROGRESS REPORT (n 71).

Naturally, given its geographical location, the primary goal of the country was to join the European Union.

At the Zagreb Summit on November 24, 2000⁷⁵, it was confirmed that the Stabilization and Association Process was the path that led to EU membership, offering better contractual relations with the EU. The Stabilization and Association Process was first recommended for Albania in 2001 and was adopted in October 2002, and negotiations for a SAA between the EU and Albania were officially launched in January 2003. According to the Albania Stabilization and Association Report 2003, despite the efforts of the Albanian government, there were still too many fields that needed to be improved in order to become a part of that agreement.⁷⁶

The 2003 Albania Stabilization and Association Report highlighted several priority areas in Albania that require attention. These areas include the government's full commitment and determined action to combat organized crime, with concrete initiatives properly coordinated with international partners and tangible results. The report also emphasized the importance of complete implementation of the anti-corruption plans for 2002-2003, strengthening the institutional capacity to investigate and prosecute corruption, and adopting effective anti-bribery measures. Additionally, it called for improved capacity and performance of the judiciary and other law enforcement bodies, as well as more progress in enforcing court decisions and ensuring the independence of the judicial system.⁷⁷

According to the Stabilization and Association Report for the following year⁷⁸, Albania was undertaking initiatives in various key areas. However, the report noted that the rule of law in the country remained deficient, with law enforcement entities yet to meet international standards in domestic law enforcement. Corruption and organized crime were identified as serious threats to Albania's progress, and the judicial system was deemed weak. To address these challenges, the

⁷⁵ 'ZagrebSummit24Nov2000.Pdf' <<https://www.esiweb.org/pdf/bridges/bosnia/ZagrebSummit24Nov2000.pdf>> .

⁷⁶ European Commission, 'European Commission Approves 2003 Report on the Stabilisation and Association Process for South East Europe' (*European Commission - European Commission*, 26 March 2003) <https://ec.europa.eu/commission/presscorner/detail/en/IP_03_433>.

⁷⁷ *ibid.*

⁷⁸ 'STABILISATION AND ASSOCIATION AGREEMENT between the European Communities and their Member States and the Republic of Albania' <https://eur-lex.europa.eu/resource.html?uri=cellar:0f66ae3f-cc7b-4e81-aafe-6191d2d605cc.0003.02/DOC_2&format=PDF>.

report emphasized the importance of enhancing the professional capacities of judges. Overall, these issues highlighted the need for continued efforts to strengthen the rule of law and combat corruption and organized crime in Albania.

During 2004, Albania hosted five Consultative Task Force meetings, with the main goals of combating organized crime, parliamentary elections, human and minority rights, land compensation, media freedom, migration, human trafficking victims, education reform, and so on. As a result, Albania improved its legislation and procedures concerning the aforementioned issues.

Despite having a lot of work ahead of it, Albania has made some progress toward meeting European standards. Improvements have been made, among other things, in the fight against terrorism and organized crime, the adoption of a targeted package of laws, the execution of precise action-oriented measures against organized crime, the improvement of police intelligence analysis, the approval of the initial implementing legislation on an agency for the confiscation of assets, etc.⁷⁹

In its analysis of the Albanian justice system in June 2015, the High Levels Expert Group of the Special Parliamentary Commission on Justice Sector Reform noted, among other things, that there were concerns among the general public regarding the assignment of prosecutors and judges to preferred job positions through bribery; the destruction of evidence by the judiciary police; the closing of criminal cases by prosecutors through bribery; and the waiting times for judges who exceeded legal deadlines.⁸⁰ Another worrying scenario was the low professional level of the key players in the justice system, which was brought on by a lack of proper legal education regarding their legal rights and obligations.

Following this analysis, Albanians were given hope by the political class's unanimity that the justice system needed reform and was plagued by serious issues.

⁷⁹ Commission, 'Albania' (n 7).

⁸⁰ 'Analysis-of-the-Justice-System-in-Albania.Pdf' <<https://euralius.eu/images/Justice-Reform/Analysis-of-the-Justice-System-in-Albania.pdf>> .

On the other hand, international actors kept up the pressure by emphasizing the significance of justice reform. They had been in Albania to make this reform possible, offering resources and highly skilled labor.

The following are some of the major international players who have been active in Albania over a period of time and are relevant to law enforcement and justice reform:⁸¹

- International Criminal Investigative Training Assistance Program (ICITAP), which has been helping the Albanian government build its capacity to deliver expert law enforcement services based on best policing practices, respect for human rights, and the rule of law, has been helping since 1998.⁸²
- One of the three pre-accession instruments funded by the European Union to aid the candidate nations of Central and Eastern Europe in their accession preparations is the PHARE program. Up until the year 2000, Albania and the Western Balkan nations benefited from PHARE. However, as of 2001, these nations received financial aid through the CARDS program (Community Assistance for Reconstruction, Development, and Stability in the Balkans).⁸³
- In 2001, Albania became a member of GRECO, the Group of States against Corruption, which was founded in 1999 by the Council of Europe to monitor States' compliance with its anti-corruption standards. As a member, Albania is subject to evaluation as part of GRECO's Evaluation Rounds, which are held in April 2002, October 2004, and November 2008.⁸⁴
- The PAMECA projects were initiated in 2002 and have been implemented as a component of the European Union's assistance to Albania in the realms of public order, security, and law enforcement.⁸⁵
- Since 2003, the OSCE Presence in Albania has supported the Albanian government's efforts to reform the justice system by examining if court proceedings stick to the principles of a fair trial.⁸⁶

⁸¹ *ibid.*

⁸² *ibid.*

⁸³ *ibid.*

⁸⁴ *ibid.*

⁸⁵ *ibid.*

⁸⁶ *ibid.*

- The European Commission for the Efficiency of Justice (CEPEJ) launched the program "Increase the efficiency of the Albanian justice system, in line with European standards" on January 27, 2014, with an official launch in Albanian. The program's overall goal was to increase the effectiveness and quality of the public service of justice provided to Albanian citizens by the court system in accordance with European standards.⁸⁷
- The EU provides financial and technical support for reforms in the "enlargement countries" through the Instrument for Pre-accession Assistance (IPA).⁸⁸
- The United States Department of Justice financed two initiatives. The main goal of OPDAT, the Overseas Prosecutorial Development, Assistance and Training Program, is to help the Albanian government build criminal justice and law enforcement systems with a focus on public corruption, organized crime, and human trafficking.⁸⁹

The organizations and programs mentioned above have consistently worked towards organizing a range of activities such as events, meetings, workshops, round tables, seminars, training sessions, analyses, reports, and recommendations. These initiatives have been carried out in collaboration with the key stakeholders of the Albanian justice system, with the overarching goal of aligning national practices with the standards set by the Council of Europe and the European Union.

All 140 parliamentarians unanimously voted in favor of the judicial reform package, which was viewed as essential to persuading the European Union to begin membership negotiations, after 18 months of work and with the support of all the aforementioned international organizations. The Albanian judges and prosecutors will be temporarily reevaluated under the Vetting Law, which was approved by the Parliament in the early hours of the morning on July 21 and 22, 2016. The Vetting Law is one of seven laws that will be adopted to implement the constitutional amendments, which went into effect on August 11, 2016.⁹⁰

⁸⁷ *ibid.*

⁸⁸ *ibid.*

⁸⁹ *ibid.*

⁹⁰ 'Albanian- Legislation. Pdf' <<https://euralius.eu/index.php/en/library/albanian-legislation?task=download.send&id=1&catid=98&m=0>>.

This reconsideration will be conducted while restricting some of their constitutional rights, and it will include asset assessment, background assessment, and proficiency assessment. Albanian prosecutors, judges, including judges of the Constitutional Court and the High Court, and legal advisers of the High Council of Judges, of the Constitutional Court, and of the High Court shall be subject to this reevaluation. They will be required to prove the origin of their assets in any case.

Albania paved the way for justice reform, which is crucial to eradicating corruption and organized crime from Albania's justice system and enabling it to function impartially and professionally in the face of these wounds.

Reevaluating the Vetting process' three components asset evaluation, background evaluation, and proficiency evaluation was necessary for justice ranks.⁹¹ This reevaluation would confirm any corruption and the competence of each judge and prosecutor. Albanian parliamentarians unanimously approved constitutional amendments and a supporting legal package for this reform, which is supported and endorsed by international organizations, after becoming convinced of the need for this justice reform.

In the 27 years of democracy, this reform is regarded as one of the most significant Albania has ever carried out.⁹²

We continue to hold out hope that the European Commission will issue a clear approval this year, given that this reform has been a top priority for Albania's integration into the EU. Additionally, since this reform is based on European standards and principles and has received the endorsement of European organizations, it may be easily implemented in other regional countries that have issues with justice and wish to join the large European family.

⁹¹ 'IMO2_1st_Annual_Report_Executive_Summary.Pdf'

<https://www.entwicklung.at/fileadmin/user_upload/Dokumente/Projektberichte/IMO2/IMO2_1st_Annual_Report_Executive_Summary.pdf> accessed 17 May 2023.

⁹² 'Final-Policy-Paper-Vetting-3.Pdf' <<https://ahc.org.al/wp-content/uploads/2022/05/Final-Policy-Paper-Vetting-3.pdf>>.

4. Chapter Four: Economic Aspects of the Integration Process

4.1 The state of Albania's economy and its competence in EU integration

In recent years, the EU has made efforts to strengthen the coordination of economic policy and multilateral surveillance under the European Semester, and economic governance has become one of the three key aspects of the EU enlargement process. The Commission's enlargement strategies for 2013 and 2014 outlined a novel economic governance strategy. It included unequivocal direction on the reforms required to support long-term growth and competitiveness, ensure fiscal sustainability, and foster macroeconomic stability. The Commission's updated enlargement methodology, which was adopted in February 2020, further emphasized the importance of fundamental reforms, including those pertaining to the economy.

According to the recommendations made by the European Council in Copenhagen in June 1993, a functioning market economy and the ability to deal with market forces within the Union are prerequisites for EU membership.⁹³ In recent years, the role of economic governance in the enlargement process has increased. The Economic Reform Programme exercise and the evaluation of compliance with the economic criteria for accession detailed below are the two processes that the Commission monitors. Every year, each candidate for enlargement develops an Economic Reform Programme (ERP), which outlines a medium-term macro-fiscal policy framework and a structural reform agenda designed to promote inclusiveness and competitiveness. The ERPs serve as the foundation for the country-specific policy recommendations that the EU and the Western Balkans jointly adopt.⁹⁴

Albanian integration into Europe must be seen as an ongoing, progressive process. Each step must be carried out correctly. The requirements are difficult for a country that went through a lot

⁹³ European Parliament, 'Copenhagen European Council - 21-22 June 1993' <https://www.europarl.europa.eu/enlargement/ec/cop_en.htm>.

⁹⁴ European Commission, 'Erp-Factsheet.Pdf' <<https://neighbourhood-enlargement.ec.europa.eu/system/files/2018-05/20180417-erp-factsheet.pdf>>.

of changes, but everything can be done step by step.

Since 1991, Albania had already benefited from Western assistance. The Agreement of Economic Cooperation and Trade (AECT), which was signed in December 1992⁹⁵, established the legal framework for future relations with the EU and EU assistance. Both parties must fulfill their obligations under the Stability and Association Agreement. The Union provides preferential access to the EU internal market, the possibility of membership, and a support program for that goal. In exchange, the candidates promise to abide by the conditions set forth by the Union and give their full cooperation throughout the Stabilization and Association process.⁹⁶

The main tools of SAA are trade preferences and the EU assistance program CARDS. The Balkan nations have received independent trade concessions from the European Union. All industrial goods as well as the majority of agricultural goods are duty and quota-free.⁹⁷

According to statistics, Albania has not yet been able to fully benefit from EU trade preferences, in part because of the country's weak competitiveness and subpar product quality. The safety standards in the EU are very high, particularly for food products. Albania's trade opportunities in the European market will increase if it adopts EU standards as part of its European integration. But Albanian farmers and the food industry are said to struggle to meet EU quality standards.

4.2 Albanian's current economic situation including key indicators

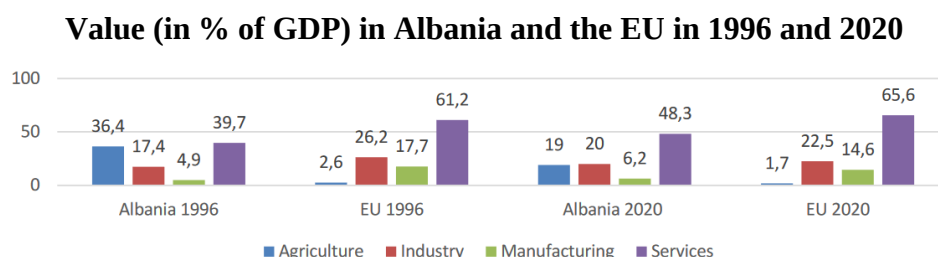
The transformation of a country starts to show with changes in the economy's structure and the sector's contribution to growth over time. As productivity levels ascend, Albania's economic model endeavors to transition from labor-intensive sectors towards capital-intensive and technology-driven industries. The economy of Albania is modest, primarily service-based, and growing in the tourism industry. Due to public and donor investment in mitigating the effects of

⁹⁵ 'Official Journal of the European Communities' COUNCIL DECISION of 26 October 1992 on the conclusion of an Agreement between the European Economic Community and the Republic of Albania on trade and commercial and economic cooperation <<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31992D0535>>.

⁹⁶ 'European Commission', 'Stabilization and Association Agreement' (n 25).

⁹⁷ European Commission, 'EU Trade Relations with Western Balkans' <https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/western-balkans_en>.

the 2019 earthquake as well as rising interest in tourism and real estate projects, the contribution of the construction sector has increased significantly over the last two years. Despite a significant decline in GDP-added value from 36% to 19% over the past ten years, the agriculture sector which supports 36% of jobs remains essential to economic activity. In stark contrast with the EU, where only about 2% of the GDP's added value is accounted for by agriculture.⁹⁸



Picture source:⁹⁹

All sectors continue to have very low labor productivity, with output per worker at 32% of the EU average.¹⁰⁰ The lowest level of productivity is found in the agriculture sector, where there is a significant gap both with respect to EU productivity and the Albanian economy as a whole. The agriculture industry is undercapitalized, dispersed in small farms and land plots, low in productivity, and dependent on ineffective subsistence farming. There is significant room for growth in the agro-business sector. Albania needs to expand agricultural support services, improve the quality of collection, storage, and marketing, and consolidate its agricultural holdings.

Albania is ranked 92nd out of 129 economies by the OECD on the economic complexity index, which gauges the level of expertise or capabilities incorporated into a nation's export goods.¹⁰¹ The majority of Albania's exports are low-tech, low-value goods and services, such as tourism, textiles and apparel, electricity, metals, and metal-based products. Additionally, Business

⁹⁸ 'CFI_Albania_2021.Pdf' <https://www.etf.europa.eu/sites/default/files/document/CFI_Albania_2021.pdf>.

⁹⁹ The World Bank, 'World Development Indicators | Data Bank' <<https://databank.worldbank.org/source/world-development-indicators>>.

¹⁰⁰ International Monetary Fund, 'Gross Domestic Product: An Economy's All' (IMF) <<https://www.imf.org/en/Publications/fandd/issues/Series/Back-to-Basics/gross-domestic-product-GDP>>.

¹⁰¹ OECD library, '92nd in Economic Complexity out of 129 Countries (OEC). 27th in Knowledge Economy Index among. 37 EBRD Countries of Operation (EBRD).' <<https://www.oecd-ilibrary.org/sites/59cb217b-en/index.html?itemId=/content/component/59cb217b-en>>.

Process Outsourcing has expanded significantly, which has helped to increase youth employment and service export growth.¹⁰²

Although employment in Albania is higher than in most Western Balkan economies, the majority of jobs are still low-skilled and low-paid, with a sizable portion of them being in subsistence agriculture.

The majority of jobs in 2019 will be found in industries with low and medium-low digital intensity. Higher productivity industries like real estate, finance, and mining have little room to grow their level of involvement.¹⁰³

Many of Albania's foreign direct investments have been made in domestic projects in the fields of energy, telecommunications, and finance. The privatization of government entities and the concession of natural resources attracted the majority of them. Albania needs to diversify its economy and increase the value of its output by attempting to draw investments into tradeable sectors for global markets.¹⁰⁴

A law on strategic investments was approved by the Albanian government in 2015, making it easier to make sizable investments in high-priority industries like agriculture, energy, transportation and telecommunication.

The pandemic accelerated the digitalization of services, especially governmental services. Currently, the government is in charge of leading the digital transformation of public services and governance procedures, which could direct the economy toward industries with higher levels of digital intensity.

Albania's poverty rate has decreased as a result of economic expansion. The World Bank reports that the most recent official poverty statistics for Albania are from 2012, when the headcount for poverty was 39.1% (calculated as 5.50 dollars per day, 2011 PPP), and the headcount for

¹⁰² 'Albania (ALB) Exports, Imports, and Trade Partners | OEC' (*OEC - The Observatory of Economic Complexity*) <<https://oec.world/en/profile/country/alb>> accessed 18 May 2023.

¹⁰³ European Bank, 'EBRD Transition Report 2021-22' <<https://www.ebrd.com/news/publications/transition-report/transition-report-202122.html>>.

¹⁰⁴ Monetary Fund (n 100).

extreme poverty was 1.1% (calculated as 1,90 USD per day, 2011 PPP).¹⁰⁵ In 2020, Albania's at-risk of poverty rate will be 21.8%, down from 23.7% in 2017.¹⁰⁶ Albania has improved in terms of this indicator when compared to some EU member states and other countries in the SEE region for the year 2020.

Despite the above-mentioned improvements, poverty is still a touchy subject in the nation from a variety of angles. Although the unemployment rate in Albania has significantly decreased over the past ten years, it is still high at 11.5% in 2021.¹⁰⁷ Along with alleviating poverty, they have contributed to the country's long-term currency stability and price stability.

Russia's unprovoked invasion of Ukraine has already had a rapid impact on inflation worldwide. Higher prices for energy, food, and inputs are anticipated to have a further negative impact on living expenses and economic activity in the European Union (EU). These forces are already being felt in Albania, where inflation is on the rise, and they could become more pronounced as exports, remittances, and the nation's poverty level decline.

4.3 Discussing the reforms that Albania may need to undertake to prepare for EU membership

The latest Economic Reform Progress report highlights three primary obstacles hindering competitiveness and inclusive growth, along with their corresponding reform measures.

First Challenge: Increasing innovation and skills of young people and adults to enhance employment.

Youth aged 15 to 29 who are neither employed nor enrolled in school or other forms of formal education make up 26.1% of the total youth population in 2021. The percentage of NEETs is still high even with a decrease of 1.8 percentage points from 2020. 37.3% of this group are

¹⁰⁵ 'Global_POVEQ_ALB.Pdf' <https://databankfiles.worldbank.org/public/ddpext_download/poverty/33EF03BB-9722-4AE2-ABC7-AA2972D68AFE/Global_POVEQ_ALB.pdf> accessed 18 May 2023.

¹⁰⁶ *ibid.*

¹⁰⁷ Eurostat, 'Living Conditions in Europe - Poverty and Social Exclusion' <https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living_conditions_in_Europe_-_poverty_and_social_exclusion>.

unemployed. The remaining group is not working because they are discouraged workers (15.4%), are taking care of their homes and families (17.5%), or are not working for any other reason (29.8%).¹⁰⁸

Albanian youth frequently accept temporary employment positions for which they are overqualified as an alternative to in-demand job positions in their respective fields of specialization because they face significant challenges in matching their higher education credentials with labor market demands. Significant investments have been made in the infrastructure of VET (Vocational Education and Training) providers through the state budget, including the construction of new, contemporary buildings and specialized practice facilities. Nowadays, almost all schools have the necessary tools to advance both practical and theoretical learning. Efforts are currently underway to optimize the network of educational and professional training providers, ensuring its positioning in the market as a high-quality educational offering that effectively addresses the demands of the labor market and society as a whole.¹⁰⁹

At all stages of a nation's economic growth and development, science, technology, and innovation are crucial, but human resources are unquestionably the main engine behind these developments. Unfortunately, Albania lost not only a large portion of its highly educated population and its researchers as a result of the widespread migration that occurred after the 1990s. According to a number of national surveys, between 1990 and 2000, roughly 40% of the country's professors and research scientists from universities and scientific institutions emigrated.¹¹⁰

Second Challenge: Lowering the percentage of the population at risk of poverty, social protection and health insurance should be expanded and made more adequate.

Albania has made progress in recent years by steadily increasing public health spending and raising the standard of healthcare services.

¹⁰⁸ Elson Caka, 'Economic Reform Programme 2023-2025' <<https://financa.gov.al/wp-content/uploads/2023/02/Economic-Reform-Programme-2023-2025.pdf>>.

¹⁰⁹ *ibid.*

¹¹⁰ *ibid.*

Through the implementation of successful population-based screening programs for non-communicable diseases, aiming at early diagnosis and prompt treatment, public health protection programs have been expanded. These programs include safe and effective vaccination against communicable diseases. Over 400 primary health centers will be renovated through 2025 thanks to investments in primary healthcare.¹¹¹

Additionally, Albania has made investments in the modernization of the network of obstetric and gynecologist hospitals, beginning with the construction of new facilities and the installation of new medical technology in 6 hospitals, followed by significant investments in 4 pediatric hospitals.¹¹²

Efforts were made to improve the integrated health system, emergency preparedness and response, and digital health are all guided by the continued primary goal of universal health coverage. The biggest obstacle to achieving this goal is continuing to develop sustainable health policies that have an immediate impact on expanding citizen access to healthcare and enhancing population health and well-being. The following goals are prioritized: increasing the number of healthy years lived by Albanians by ensuring full access to health care for all citizens on the basis of a stable financial system; modernizing infrastructure to improve hospital care and patient safety; raising the quality and safety of medicine to meet EU standards; developing and integrating a better-coordinated approach to health care; and increasing transparency.¹¹³

The following goals prioritize in increasing the number of healthy years lived by Albanians by ensuring full access to health care for all citizens on the basis of a stable financial system; modernizing infrastructure to improve hospital care and patient safety; raising the quality and safety of medicine to meet EU standards; developing and integrating a better-coordinated approach to health care; and increasing transparency.

¹¹¹ *ibid.*

¹¹² *ibid.*

¹¹³ *ibid.*

Third challenge: Boosting government support and addressing informality, the business environment and investment climate can be improved.

Micro, small, and medium-sized businesses (MSMEs) dominate Albania's private sector, which is burdened by informality. Albania launched a national campaign to combat the gray economy in 2016, and as a result, more people are now registered as taxpayers and social contributors. Since 2019, the government has adopted a risk-based strategy to more effectively target the informal economy and to shift the emphasis away from increasing the number of checks and inspections in order to raise additional budget revenue.¹¹⁴

The fiscalization Law, which will directly assist the Tax Administration in obtaining real-time and accurate data for all business transactions with the administration tax as well as all the information that circulates in "business to business" and "business to government" relationships, was a very important process that the Albanian government was involved in during the 2020–2022 period.

Other factors that affect the business climate include general uncertainty brought on by rising prices and declining consumption; uncertainty regarding the future; rising trends in interest rates that increase the cost of borrowing; and the consolidation of the legal system so that we have more consistent laws. do not change frequently and follow societal demands.¹¹⁵

5. Chapter Five: Economic reform developments

5.1 Promoting growth through comprehensive economic reforms

In order to succeed in its mission of integration Albania is developing a new Strategy for Development and Integration 2021–2030. This plan is implemented at a critical juncture as Albania, Europe, and the rest of the world deal with the COVID-19 pandemic and its aftermath and the EU accession process has advanced to a new level. The new strategy, which will build on the previous National Strategy for Development and Integration 2014-2020, will need to define a

¹¹⁴ *ibid.*

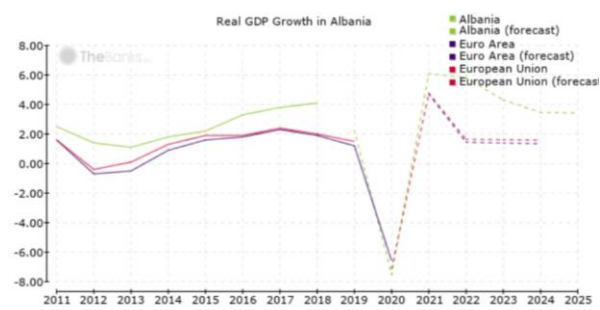
¹¹⁵ *ibid.*

vision for Albania in 2030, map out the steps and primary goals for achieving this vision, and address the most significant obstacles that could prevent Albania from achieving this vision.¹¹⁶

A partial economic recovery has begun. The GDP shrank by 3.3% in 2020, primarily as a result of lower exports—particularly services, which account for nearly 75% of all exports and are primarily made up of tourism receipts—and a decline in household consumption. The accommodative fiscal policies and an increase in construction and real estate sector activity (especially in the second half of 2020), linked to rebuilding efforts after the November 2019 earthquake, were the main reasons why the GDP contraction was less severe than anticipated).¹¹⁷

In the first quarter of 2021, GDP increased by 5.5% year over year, and in the second quarter, it increased by 17.9% year over year. The second quarter's healthy export recovery and strong investment growth were the main drivers of these increases.

In nominal terms, exports of goods increased by more than 30% in the first nine months of 2021, driven primarily by the exports of textiles and footwear, metals, and building materials. Another industry that appears to be rebounding is tourism. The number of tourists in June, July, and August 2021 almost reached levels seen in the same months in 2019 after the government lifted all Covid-19 pandemic restrictions for foreigners entering the country. More travelers from the neighboring countries of North Macedonia and Kosovo were a major factor in this recovery.¹¹⁸



Source¹¹⁹: Real GDP Growth in Albania. Source: Eurostat, International Monetary Fund.

¹¹⁶ 'Albania_national_strategy_on_development_and_integration.Pdf'

<https://www.oneplanetnetwork.org/sites/default/files/albania_national_strategy_on_development_and_integration.pdf> accessed 19 May 2023.

¹¹⁷ *ibid.*

¹¹⁸ *ibid.*

¹¹⁹ Banks, 'Albania (Economy)' <<https://thebanks.eu/countries/Albania/economy>>.

The latest updates on structural reform developments in Albania indicate that the decision on the opening of European Union (EU) accession negotiations is still pending, and it is expected to be addressed during Slovenia's EU presidency in the second half of 2021. In the meantime, the Albanian government has taken significant steps to promote business and investment through the adoption of the Business and Investment Development Strategy 2021-27. This strategy aims to improve access to finance, introduce financial schemes for human capital development, and attract foreign investors while retaining existing ones.

Furthermore, tax legislation reforms have been implemented, including zero corporate income tax for taxpayers with an annual income below ALL 14 million (€115,000), exemption from local taxes for businesses with an annual turnover below ALL 8 million (€65,000), and an increased threshold for value-added tax (VAT) application to ALL 10 million (€80,000). The introduction of online reporting for all issued invoices and receipts aims to reduce informality and increase fiscal revenues.¹²⁰

Albania has also made progress in environmental policies, with the adoption of the Law on Climate Change. This law facilitates the submission of the country's Nationally Determined Contribution for greenhouse gas emissions reduction to the United Nations Framework Convention on Climate Change. It also establishes a comprehensive legal and inter-institutional framework for climate action at the national level, supporting the development of the National Energy and Climate Plan for the period 2021-30.¹²¹

In terms of infrastructure development, the construction of the Spitalle solar park, the third-largest in the country, is underway after French company Volterra won the tender. The government is also focusing on increasing the number of international airports to support tourism, with the recent opening of the Kukes international airport and ongoing plans for a new airport in Vlora, and the construction of a fourth airport in Saranda. Additionally, significant efforts are being made to overhaul the railway network, with the European Bank for

¹²⁰ 'NSDI_2014-2020_version_JUne-2013.Pdf' <https://shtetiweb.org/wp-content/uploads/2014/06/NSDI_2014-2020_version_JUne-2013.pdf> accessed 19 May 2023.

¹²¹ *ibid.*

Reconstruction and Development (EBRD and the EU is supporting the construction of a new rail line connecting Tirana city with Tirana International Airport as well as the upgrading of the railway between Tirana and Durres.¹²²

While the banking sector in Albania remains well-capitalized and liquid, non-performing loans (NPLs) still pose a challenge. Although the NPL ratio has slightly declined, standing at 7.8% at the end of May 2021, it remains the highest in the Western Balkans. The recovery of the economy as predicted will be crucial in preventing a potential rise in NPLs.¹²³

5.2 Adaptability to market forces and pressures from competitors within the European Union

When considering the long-term structural implications, the effects on the labor market do not appear to have been particularly worrisome thus far.

According to INSTAT's quarterly survey on the labor force, the employment rate for people between the ages of 15 and 64 was 62.0% in the third quarter of 2021. The total number of employees increased by 2.1% during this quarter compared to the previous one, while this indicator increased by 0.2% when compared to the same quarter in the prior year.¹²⁴

Officially, 19.9% of young people are unemployed. In the third quarter of 2021, the youth unemployment rate was 0.8 percentage points lower than it was in the corresponding period in 2020.

This indicator remained the same when compared to the second quarter of 2021. The 30-64 age group has an 8.7% unemployment rate. This indicator has dropped by 0.8 percentage points from the prior quarter and by 0.3 percentage points on an annualized basis.¹²⁵

The effectiveness of government policies that support long-term economic growth and employment promotion is reflected in the labor market's dynamic improvement.

¹²² *ibid.*

¹²³ *ibid.*

¹²⁴ INSTAT, 'Employment in Albania' <<https://www.instat.gov.al/en/statistical-literacy/employment-in-albania/>>.

¹²⁵ INSTAT, 'Quarterly Labour Force Survey' <<https://www.instat.gov.al/media/10487/lfs-q2-2022.pdf>> accessed 19 May 2023.

The annual state aid report for 2020 reveals that the total state aid reached 30,761.82 million ALL (248.56 million euro), with the majority allocated to horizontal state aid. In 2021, a draft law was prepared to promote the development of micro, small, and medium-sized enterprises (MSMEs), which includes provisions for state support, the establishment of a Consultative Council for enterprises, and the preparation of an annual report by the Albanian Investment Development Agency (AIDA). Additionally, funds allocated to AIDA in 2020 were managed by the Ministry of Finance and Economy to provide support schemes for Albanian companies due to the COVID-19 situation.¹²⁶

Albania's trade exchanges heavily revolve around EU-27 countries, with the majority of trade, 58.0% in volume, being conducted with these nations. Italy stands out as the key trading partner, followed by Turkey, Greece, and China. During the eleven-month period from January to November 2021, exports to EU countries accounted for 72.0% of total exports, while imports from EU countries represented 54.6% of total imports. Notably, the trade deficit surged to ALL 376 billion, marking a 27.4% increase compared to the same period in 2020.¹²⁷

In terms of trade values, exports of goods amounted to ALL 337 billion during this eleven-month period, experiencing a substantial growth of 35.4%. Similarly, imports of goods reached ALL 713 billion, indicating a 31.1% increase compared to the previous year. It is worth highlighting that these figures reflect the ongoing dynamics and significance of Albania's trade relationships, particularly with EU countries, as well as the challenges posed by the trade deficit.¹²⁸

5.3 Macroeconomic indicators

The macroeconomic indicators for Albania are encouraging. In the first three quarters of 2018, GDP growth averaged 4.3%, up from 3.8% in 2017 and 3.4% in 2016. Favorable financing conditions, FDI inflow, high business confidence, and an improving external environment all

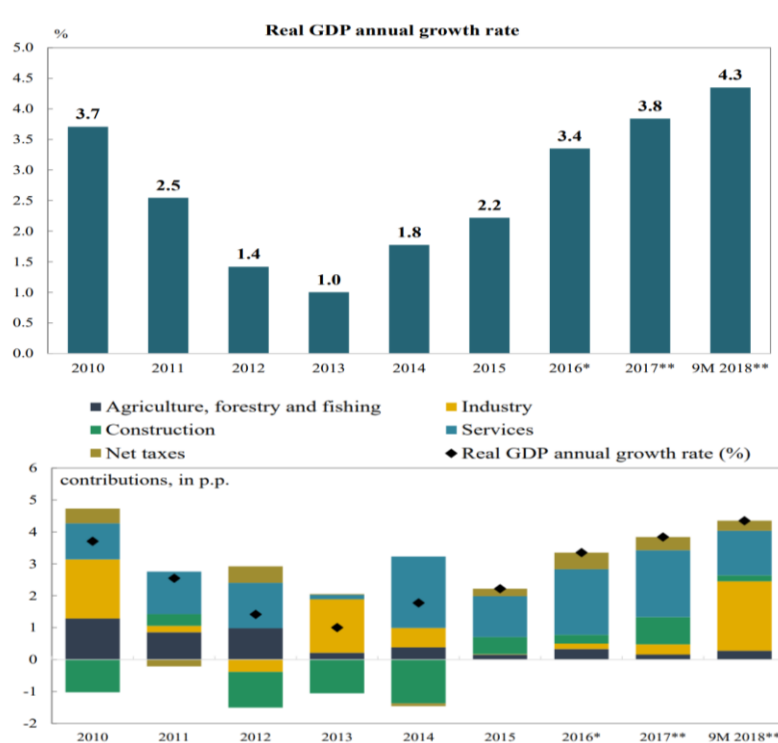
¹²⁶ 'NSDI_2014-2020_version_JUne-2013.Pdf' (n 120).

¹²⁷ *ibid.*

¹²⁸ *ibid.*

support the economy. The unemployment rate is declining, and capacity utilization rates are rising, which suggests that the economy is getting close to its potential.¹²⁹

A wide range of industries and demand factors are experiencing GDP growth. In terms of production, all areas of the economy grew in the year's first three quarters. Higher electricity production as a result of better rainfall was the main driver of industrial sector growth, accounting for about 2.2 percentage points of GDP growth. As civil engineering projects slowed, the construction sector's contribution to economic growth decreased to 0.2 percentage points, while the agriculture sector's contribution remained low at around 0.3 percentage points. Services have increased growth by 1.4 percentage points as a result of robust private consumption and tourism.¹³⁰



Source: INSTAT and Bank of Albania.

¹²⁹ ARCOTRASS - Consortium, 'Country Report – Albania' <https://agriculture.ec.europa.eu/system/files/2020-02/ext-study-applicant-albania_2006_en_0.pdf>.

¹³⁰ *ibid.*

Initial signs suggest that growth will continue in the fourth quarter of 2018, albeit at a slower pace than in the year's first three quarters. The main sources of aggregate demand are anticipated to continue to be private consumption and investments.

The economy's spare capacity has been increasingly absorbed by the aggregate demand expansion, as evidenced by the economy's declining unemployment rate and higher capacity utilization. Indicators of the labor market have been progressively improving. In the first three quarters of 2018, employment increased by 4.9%, 3.3%, and 2.3%, respectively, and the unemployment rate continued to fall, reaching 12.2% in the third quarter.¹³¹

The average monthly wage for each employee in the economy rose annually by about 3.0% in nominal terms in both 2017 and the first three quarters of 2018, according to new data from INSTAT. With inflation deflated, the wage indicator's growth rate was 1.0% in 2017 and 0.9% in the first three quarters of 2018. Unit labor costs³ are estimated to have grown at low rates, primarily because real average wages have increased more quickly than labor productivity.¹³² Domestic cost pressures are rising as the economy gradually picks up speed, and inflation is picking up. In the first three quarters of 2018, inflation increased marginally, going from 1.9% in the first quarter to 2.2% in the second and third. Food components, particularly those that are unprocessed, continue to be the main causes of headline inflation. The rise in oil prices has partially offset the summertime decline in unprocessed inflation. The headline inflation figures for October and November have decreased, though, as a result of the recent decline in oil prices and lower inflation of unprocessed foods. Inflation was 1.9% and 1.8%, respectively.¹³³ Domestic inflationary pressures are broadening and escalating as the economy is improving and mid-term inflation expectations are more solidly anchored. On the other hand, the strong domestic currency has helped to keep external inflationary pressures at bay. In the near future, inflation is anticipated to fluctuate at 2.1%, and it will reach the Bank of Albania's target by

¹³¹ *ibid.*

¹³² Bank of Albania 'QUARTERLY MONETARY POLICY Report'
<https://www.bankofalbania.org/rc/doc/RPM_2018_3_Eng_12454.pdf>.

¹³³ *ibid.*

2020. This projection takes into account both the ongoing economic recovery and the short-term easing of the disinflationary pressures brought on by the exchange rate.¹³⁴

Table: Basic Indicators and Macroeconomic Framework¹³⁵

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Proj.									
	(Percent change)									
Real sector										
Real GDP	4.0	2.1	-3.5	8.5	3.7	2.2	3.3	3.4	3.4	3.4
Domestic demand contribution	3.9	2.1	-3.4	9.3	2.1	2.8	3.6	3.9	4.0	3.8
Consumption	2.4	2.8	-2.5	4.2	2.6	2.5	3.1	3.3	3.5	3.2
Investment (incl. inventories and stat. disc.)	1.5	-0.6	-0.9	5.1	-0.6	0.3	0.5	0.6	0.5	0.5
External demand contribution	0.2	-0.1	-0.1	-0.8	1.7	-0.5	-0.3	-0.5	-0.6	-0.4
Consumer Price Index (eop)	1.8	1.1	1.1	3.7	9.0	3.9	3.0	3.0	3.0	3.0
Consumer Price Index (avg.)	2.0	1.4	1.6	2.0	7.0	5.4	3.4	3.0	3.0	3.0
GDP deflator	1.5	1.3	0.7	5.9	6.0	3.4	2.2	1.9	1.8	1.8
	(Percent of GDP)									
Saving-investment balance										
Foreign savings	6.8	7.6	8.7	7.7	7.8	7.7	7.6	7.6	7.5	7.4
National savings	17.1	14.7	14.1	16.5	16.1	16.4	16.5	16.3	16.2	16.1
Public	2.7	2.0	-1.0	1.7	1.3	1.6	1.7	1.4	1.2	1.2
Private	14.4	12.8	15.1	14.8	14.8	14.8	14.8	15.0	15.0	15.0
Investment (incl. inventories and stat. disc.)	23.9	22.3	22.8	24.2	23.9	24.2	24.0	23.9	23.7	23.6
Public	5.6	5.3	6.8	7.5	5.6	5.5	5.4	5.2	5.1	5.0
Private	18.3	17.0	16.0	16.7	18.3	18.7	18.6	18.7	18.6	18.6
Fiscal sector										
Total revenue and grants	27.5	27.2	25.9	27.0	27.6	27.6	27.4	27.4	27.4	27.5
Tax revenue	25.6	25.2	24.2	25.2	26.0	25.9	25.8	25.8	25.8	25.8
Total expenditure	29.1	29.2	32.6	31.6	30.9	30.3	30.0	30.2	30.2	30.2
Primary	26.8	27.1	30.5	29.7	28.9	27.6	27.2	27.2	27.2	27.2
Interest	2.2	2.1	2.1	1.9	2.0	2.7	2.8	3.0	3.0	3.0
Overall balance 1/	-1.6	-1.9	-6.7	-4.5	-3.3	-2.7	-2.5	-2.7	-2.8	-2.8
Primary balance	0.6	0.1	-4.6	-2.6	-1.3	0.0	0.3	0.3	0.3	0.3
Financing	1.6	1.9	6.7	4.5	3.3	2.7	2.5	2.7	2.8	2.8
Of which: Domestic	-1.3	2.4	3.0	-1.0	3.5	1.1	4.1	2.4	1.1	2.8
Of which: Foreign	2.9	-0.5	3.7	5.5	-0.3	1.6	-1.5	0.3	1.6	0.0
General Government Debt 2/3/	69.5	67.4	75.9	73.9	68.5	67.9	66.4	64.7	64.5	63.6
Domestic	37.3	36.9	40.7	37.9	35.3	34.3	35.0	35.3	34.9	35.4
External	32.2	30.4	35.3	36.0	33.3	33.6	31.4	29.4	29.6	28.2
	(Percent change)									
Monetary indicators										
Broad money growth	-0.2	4.3	10.5	8.6	6.4	5.6	5.6	5.3	5.4	5.3
Private credit growth	-0.9	6.1	8.9	8.6	9.9	5.7	5.6	5.3	5.3	5.2
	(Percent of GDP, unless indicated otherwise)									
External sector										
Trade balance (goods and services)	-13.7	-13.6	-14.5	-13.3	-13.8	-14.1	-13.9	-13.8	-13.7	-13.7
Current account balance	-6.8	-7.6	-8.7	-7.7	-7.8	-7.7	-7.6	-7.6	-7.5	-7.4
Gross international reserves (billions of Euros)	3.4	3.4	3.9	5.0	5.1	5.4	5.2	5.2	5.6	5.6
(In months of imports of goods and services)	6.6	8.1	7.0	7.2	7.0	7.1	6.6	6.4	6.5	6.8
(In percent of ARA metric)	182	174	188	201	193	192	182	176	175	167
Gross reserves excl. banks' FX reserves (billions of Euros)	2.9	2.8	3.3	4.3	4.3	4.5	4.3	4.3	4.5	4.3
Memorandum items										
Output gap	-0.1	-1.1	-2.9	0.7	1.1	0.0	0.0	0.0	0.0	0.0
Real GDP (growth per capita)	4.1	2.2	-3.4	8.7	4.0	2.5	3.7	3.7	3.8	3.8
Exchange rate Lek/Euro (avg.)	128	123	124	122	..	..	..	..	..	..
Exchange rate Lek/Euro (eop, annual growth)	-7.2	-1.3	1.6	-2.4	..	..	..	..	..	..

¹³⁴ *ibid.*

¹³⁵ International Monetary Fund, '2022 ARTICLE IV CONSULTATION—PRESS RELEASE; STAFF REPORT; AND STATEMENT BY THE EXECUTIVE DIRECTOR FOR ALBANIA',
<file:///C:/Users/HP/Downloads/1ALBEA2022004%20(2).pdf>

6. Chapter Six: Financial infrastructure to achieve the goal of European integration

6.1 Accountable Institutions

There are several responsible institutions that contribute to the financial infrastructure necessary to achieve European integration.

These include:¹³⁶

1. Financial Supervisory Authority
2. Bank of Albania
3. Ministry of Finance and Economy
4. Albanian Deposit Insurance Agency
5. Institute of Statistics (INSTAT).

The above-mentioned organizations play crucial roles in overseeing and regulating financial activities, ensuring the stability and transparency of the financial system, and providing accurate and reliable data for informed decision-making. Together, they form a comprehensive framework that supports Albania's path towards greater integration with the European Union, fostering trust, efficiency, and sustainable economic development.

Within the borders of the Republic of Albania, the Bank of Albania shall have the sole authority and function as the sole issuer of banknotes and coins that are accepted as legal tender. Through licensing, supervising, and regulating banks and other financial institutions as well as regularly identifying and assessing risks and threats to financial stability, the Bank of Albania works to promote financial system stability public confidence in institutions, markets, and financial infrastructure.¹³⁷

¹³⁶ 'NPEI_2022-2024_EN-.Pdf' <https://integrimi-ne-be.punetegashtme.gov.al/wp-content/uploads/2022/02/NPEI_2022-2023.

¹³⁷ *ibid.*

The Bank of Albania has set the following goals as its top priorities in order to becoming closer to the European standards.

First working on aligning its regulatory and methodology framework with EU law and adopting Basel Committee principles. Addressing problematic issues and suggestions made by the supervised entities, working on enhancing and expanding its macroprudential toolkit in the medium term, concurrently with changes in the financial market and risk. The operationalization of the Systemic Risk Buffer and the development of the regulatory framework for the use of borrower-based instruments, such as LTV and DTI limits, are the longer-term priorities in this regard.¹³⁸

Proper alignment of the regulatory and methodological framework with the regulatory and methodological framework and best practice of the European Union, to improve the capacity for resolution implementation and strengthen the resolvability of the banks. In accordance with Regulation No. 78/2020, titled "On the Minimum Requirements for Regulatory Capital Instruments and Eligible Liabilities," the Bank of Albania will revise the methodology for determining the minimum requirements for regulatory capital instruments and eligible liabilities, known as MREL, for the year 2022."¹³⁹

On the other hand, the Albanian Financial Supervisory Authority is engaged in enhancing their supervisory capacities through various technical assistance projects. Their objective is to ensure the protection of insured individuals and investors while promoting financial sustainability. They strive to achieve these goals by implementing effective market supervision, fostering market development, and completing the necessary legal and regulatory frameworks. Through these concerted efforts, they aim to strengthen the overall financial infrastructure, enhance market efficiency, and facilitate the seamless integration of Albania into the European Union.¹⁴⁰ These two institutions are independent and funded by their own and not the state's budget.

¹³⁸ *ibid.*

¹³⁹ *ibid.*

¹⁴⁰ *ibid.*

7. Conclusions

In conclusion, this master's thesis has explored the legal and economic aspects of Albania's integration into the European Union with a comprehensive examination of various topics. The study of the case starts with an overview of Albania's history of integration, the efforts that were provided, offering insights into the country's progress and challenges encountered along the way. On the way it analyses the accession process and its legal requirements, shedding light on the complexity involved in the journey toward EU membership, while giving an overall of the history behind this big step. Albania's journey towards EU integration has been facilitated by adhering to the Copenhagen criteria and its guidelines that identify whether a country is qualified to become a member of the European Union or not.

Albania has exhibited a notable determination and commitment to managing its process of integration into the EU. Being part of the Stabilization and association agreements established a contractual relationship between the EU and Albania, entailing mutual rights and obligations. Despite facing significant obstacles, the country did not stop on making strides toward aligning its legal system with EU law and meeting the standards set forth by the EU. The process of approximation of Albanian legislation with the *acquis Communautaire*, the body of EU law, has been a critical step towards achieving legal harmonization. The active involvement and support of EU institutions have played a crucial role in guiding Albania's integration efforts, ensuring compliance with EU standards, and fostering cooperation throughout the accession process.

The impact of EU law on Albania's legal system cannot be understated. The adoption and implementation of the EU *acquis Communautaire* will require substantial changes to Albania's legal framework, ranging from legislation and regulations to institutional reforms and enforcement mechanisms. A big step toward reforming the justice system in the country was made by the Vetting Law in 2016, now judges and prosecutors will be temporarily reevaluated, improving drastically the honesty and corruption that are old gangrene in the justice system. While Albania has shown a willingness to embrace EU law, challenges lie ahead in terms of the capacity to effectively harmonize the legal system with the extensive and intricate body of EU law. Addressing these challenges will necessitate sustained efforts in capacity-building,

institutional strengthening, and the development of an effective legal framework that ensures the proper enforcement of EU standards.

Turning to the economic aspects, an evaluation of Albania's current economic situation and competence in EU integration reveals both strengths and areas for improvement. Analyzing key economic indicators provides a comprehensive understanding of the topic, by identifying areas such as governance, corruption, and the business environment that require attention and reform. To prepare for EU membership, Albania will need to undertake a range of reforms aimed at enhancing the business environment, improving competitiveness, and ensuring fiscal stability.

Promoting growth through comprehensive economic reforms is necessary for Albania's successful integration into the EU. This entails creating an enabling environment for businesses, fostering innovation and entrepreneurship, and improving infrastructure and connectivity. Additionally, the adaptability to market forces and pressures from competitors within the European Union is crucial to effectively participate in the EU single market. Aligning economic policies and regulations with those of the EU will be essential to capitalize on the opportunities presented by the EU market while ensuring fair competition and sustainable economic development.

Monitoring macroeconomic indicators, such as GDP growth, inflation, and unemployment rates, determining the overall economic progress of Albania throughout the integration process. These indicators serve as important benchmarks for assessing the country's performance and identifying areas that require attention and adjustment.

Lastly, the importance of accountable institutions emerged as a recurring theme throughout this thesis. Strengthening institutions, promoting transparency, and establishing good governance practices are critical for Albania's successful integration into the EU. Effective and transparent institutions ensure the proper implementation and enforcement of EU laws and regulations, bolstering investor confidence and facilitating sustainable economic growth.

In conclusion, Albania's integration into the European Union represents a multifaceted endeavor that encompasses legal and economic dimensions. The country has demonstrated commendable progress and determination in aligning its legal system with EU law, undertaking necessary economic reforms, and fostering accountable institutions. Although, the past of Albania has

made the integration journey very challenging the potential is remaining strong by leveraging the economic and legal opportunities presented by EU membership and contributing to the broader European project. Continued dedication, cooperation, and strategic reforms will be essential in realizing the shared vision of a prosperous and harmonious Albania within the European Union. As an Albanian, there is a deep sense of pride in witnessing the journey towards EU integration, fueled by the nation's resilience, determination, and unwavering spirit. This momentous endeavor not only holds the promise of a brighter future for Albania but also contributes to the collective achievements of the European project, forging a path toward shared prosperity and unity.

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Annex 1

Abstract

This master's thesis examines the legal and economic aspects of Albania's integration into the European Union (EU). Exploring the accession process and its legal requirements, and providing an overview of Albania's history of integration into the EU until today. Furthermore, it investigates how Albania has managed its process of integration thus far.

The second chapter main focus is on the current legal system in Albania and its alignment with EU law. It goes deeper into the approximation of Albanian legislation with the *acquis* of the EU and analyzes the role of EU institutions in the accession process.

Chapter three measures the impact of EU law on Albania's legal system and assesses the transformative effects. It discusses the adoption and implementation of the EU *acquis Communautaire*, highlighting the challenges Albania may face in harmonizing its legal system with EU law.

In chapter four, the thesis changes its focus to the economic aspects of the integration process. It examines the state of Albania's economy and its competence in EU integration, considering key economic indicators. Moreover, it discusses the necessary reforms that Albania may need to undertake to prepare for the membership.

Chapter five explores the developments in economic reforms, with an emphasis on promoting growth through comprehensive economic measures. It also considers the adaptability to market forces and pressures from competitors within the European Union, while analyzing macroeconomic indicators.

Finally, chapter six examines the financial infrastructure required to achieve the goal of European integration. It emphasizes the importance of accountable institutions in facilitating Albania's integration process.

This thesis contributes to the understanding of Albania's integration into the EU by analyzing both the legal and economic dimensions. By evaluating the challenges and opportunities that come with integration, it provides valuable insights into the implications for Albania's legal

system and economy, thereby contributing to informed decision-making and policy formulation.

Abstrakt (German)

In dieser Masterarbeit werden die rechtlichen und wirtschaftlichen Aspekte der Integration Albaniens in die Europäische Union (EU) untersucht. Sie untersucht den Beitrittsprozess und seine rechtlichen Voraussetzungen und gibt einen Überblick über die Geschichte der Integration Albaniens in die EU bis heute. Außerdem wird untersucht, wie Albanien seinen Integrationsprozess bisher bewältigt hat.

Der Schwerpunkt des zweiten Kapitels liegt auf dem aktuellen Rechtssystem Albaniens und seiner Angleichung an das EU-Recht. Es vertieft die Angleichung der albanischen Gesetzgebung an den Besitzstand der EU und analysiert die Rolle der EU-Institutionen im Beitrittsprozess.

Kapitel drei misst die Auswirkungen des EU-Rechts auf das albanische Rechtssystem und bewertet die transformativen Effekte. Es erörtert die Übernahme und Umsetzung des gemeinschaftlichen Besitzstandes der EU und zeigt die Herausforderungen auf, die sich Albanien bei der Angleichung seines Rechtssystems an das EU-Recht stellen können.

Im vierten Kapitel wendet sich die Arbeit den wirtschaftlichen Aspekten des Integrationsprozesses zu. Sie untersucht den Zustand der albanischen Wirtschaft und die Kompetenz Albaniens bei der EU-Integration unter Berücksichtigung der wichtigsten Wirtschaftsindikatoren. Außerdem werden die notwendigen Reformen erörtert, die Albanien zur Vorbereitung auf die Mitgliedschaft durchführen muss.

In Kapitel fünf werden die Entwicklungen bei den Wirtschaftsreformen untersucht, wobei der Schwerpunkt auf der Förderung des Wachstums durch umfassende wirtschaftliche Maßnahmen liegt. Außerdem wird die Anpassungsfähigkeit an die Marktkräfte und den Druck der Wettbewerber innerhalb der Europäischen Union untersucht, während gleichzeitig die makroökonomischen Indikatoren analysiert werden.

Schließlich wird in Kapitel sechs die finanzielle Infrastruktur untersucht, die zur Erreichung des Ziels der europäischen Integration erforderlich ist. Dabei wird die Bedeutung von

rechenschaftspflichtigen Institutionen für die Erleichterung des albanischen Integrationsprozesses hervorgehoben.

Diese Arbeit trägt zum Verständnis der Integration Albaniens in die EU bei, indem sie sowohl die rechtliche als auch die wirtschaftliche Dimension analysiert. Durch die Bewertung der Herausforderungen und Chancen, die mit der Integration verbunden sind, liefert sie wertvolle Einblicke in die Auswirkungen auf das albanische Rechtssystem und die Wirtschaft und trägt so zu einer fundierten Entscheidungsfindung und Politikformulierung bei.