



SETBACKS OF ALBANIA'S EU INTEGRATION PROCESS

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Received: 2020-06-25

Accepted: 2020-07-30

Published online: 2020-08-01

The ranking of Albania as the last country in the region for the business climate is an indicator of the great shortcomings that the state has shown towards business. The rule of law ensures stability and security for the economy. Corruption, as the biggest enemy of economic development and human rights as the indicators of achieving the standards for the EU integration process. This paper presents an analysis on the political criteria and challenges as key issues on the European integration process of Albania. It presents analysis on the Albanian democracy by official, governmental and widely recognized international institutions, through the ranking, recommendations and reports. The approach method is expository as well as analytical. It deals with the issues that are directly connected to the EU integration process, such as corruption level, asylum, money laundering, trafficking, justice and business climate.

Keywords: European Union, Albania, democracy, economy, corruption.

From Pluralism to a Single-Party Rule

Albanians are European not only geographically but also at heart. The EU aspiration is a national calling and mission, and since the fall of Communism in Albania every government has been committed to the integration process of the country. The political specter at large has been united in its stance towards the achieving of this goal, yet the political agenda of the parties on several occasions has brought about setbacks on this process.

An unprecedented situation occurred in 2019 that halted the spirit of the process, damaged the progress and wasted the energies of the stakeholders in relation to Albania's EU integration process.

Since 2019, for 3 years, Albania found itself in the conditions of a one-party government where the ruling party (Socialist Party) controlled 90% of the power in the central and local governments. According to the reports and studies of the Albanian Institute of Political Studies, in 1991, the Labor Party (former Communist party) controlled 82% of central and local government, whilst in 2019-2023 the one-party



power was 90%. This was an unprecedented situation, considering that when the ruling party, SP, came to power in 2013 controlled 48% (Institute of Political Studies, Report, 2019)

No country in Europe, EU candidate, or NATO member has ever been in the situation of one-party control of the state. The Albanian opposition parties, gave up the mandates *en bloc*, an unprecedented act for the Assembly of the republic. Furthermore, they refused to participate in the 2019 local elections, at the expense of the people, country, and the EU integration process. As the ODHIR reports indicated, these acts deprived the citizens from expressing their will and to exercise the right of voting and representation. According to the report: The 30 June local elections were held with little regard for the interests of the electorate. The opposition decided not to participate, and the government determined to hold the elections without it. In the climate of a political standoff and polarization, voters did not have a meaningful choice between political options. In 31 of the 61 municipalities mayoral candidates ran unopposed. There were credible allegations of citizens being pressured by both sides. Political confrontation led to legal uncertainty, and many decisions of the election administration were taken with the political objective of ensuring the conduct of elections (ODHIR Statement of Preliminary Findings and Conclusions, 2019).

As a result the ruling party obtained total control of the central government, municipalities and the city councils, followed by an environment of political and social unrest that not only did not help towards the EU integration process, but setback the progress and wasted precious time and energy.

Indicators pointing to a very high level of corruption

Corruption is the ailment of every society. Many countries are continuously combating this phenomenon that cannot be erased but certainly reduced. Albania's fight against corruption has witnessed several achievements yet it remains a problematic issue and a key factor for the integration process of the country.

The Albanian political parties have always been bias on the issue of corruption: the opposition accusing the ruling party for being corrupt and the ruling party justifying the corruption cases by taking the credit for bringing to justice high officials, meaning that the government is committed to combating corruption. But the diagnosis on the health of a society, good governance and the integration process relies on the indicators. EU, US, Independent Institutions, Civil Society Organizations, local and international study and research bodies, have been active and constructive on presenting a vivid picture of the fight against corruption in Albania.



According to the recent report by Transparency International, Albania ranks 106 out of 180 - score 35/100 points (Transparency International, Report, 2022).

The US State Department Report continues to reiterate that "Corruption is widespread in all branches of government Officials in Albania engage in corrupt practices with impunity Prosecution of higher-level crimes remains rare due to investigators' fear of punishment Impunity remains a serious problem. Officials, politicians, judges and persons with powerful business interests were often able to avoid prosecution. Police corruption remains a problem. (US State Department Report, 2022).

Cato Institute's Human Freedom Index concluded that Albania scored a poor 5.1 out of 10 points, where 10 was "being freer" in Legal System and Property Rights and 5.3 out of 10 in Rule of Law. Albania scored 2.5 out of 10 on Judiciary Independence. (Cato Institute, Human Freedom Index 2022).

World Justice and Rule of Law Project Index concluded that Albania is ranked 103 out of 126 for corruption. (World Justice and Rule of Law Project Index 2021)

Fraser Institute's report on Economic Freedom in the World Albania's weakest performance was in the Legal System and Property Rights category, with a score of 5.09 out of 10, and ranked 83rd. from 162 countries. (Fraser Institute, Report on Economic Freedom, 2022)

World Bank's World Governance Index reiterated that Albania 39th out of 100 for the Rule of Law. This score is lower than Europe and Central Asia's Rule of Law score of 63 points out of 100. (World Bank, World Governance Index, 2022)

Doing Business climate in Albania

The European Union was initially founded on economic cooperation and common values (European Union, History), thus the economic aspect remains important on the development of EU candidate states and their integration process.

Albania has reached significant economic growth during the last decade. It would require another paper to analyze the difference between the school that measures the economic growth by the increase of the budget and GDP, and the other school that measures the economic growth by the increase of the standard of living of the ordinary citizen or individual.

However, concerning the economic progress of Albania, the business climate is of paramount importance.



According to the recent World Bank Doing Business Report, out of 200 countries, Albania ranks at number 82, North Macedonia at 17 and Kosovo at 57 (World Bank Doing Business Report, 2022).

This ranking lists Albania last in the region and among the last on the European Continent for business climate.

This low ranking and business climate causes issues and insecurities for the local entrepreneurs as well as discourages foreign investors and serious western companies to invest in Albania.

It is worth mentioning that the EU is Albania's biggest trading partner. The EU's Foreign Direct Investment in Albania reached 610.9 million Euros in 2021. The volume of trade in goods with the EU was €5.9 billion in 2021. (Official EU factsheet, 2021) This trade and investment partnership requires a good and strong economic, business and entrepreneurship climate and environment.

Money laundering: continues progress and periodical setbacks

According to the 2022 report by the Council of Europe MONEYVAL agency, improvements in fighting money laundering and terrorist financing have led to upgraded ratings (Council of Europe MONEYVAL, 2022)

The Council of Europe's anti-money laundering body MONEYVAL states that Albania has improved measures to combat money laundering and terrorist financing, demonstrating good progress in the level of compliance with the FATF (Financial Action Task Force) standards.

During the period of 2015-2019 – Albania was ranked as a "grey zone" affecting the EU integration process and presenting setbacks on the evaluation of the country. 2022 report states: The positive steps taken by the authorities resulted in the upgrading of the country's ratings from "partially compliant" to "largely compliant." A progress that helps the process.

High rates of Asylum Applications in EU countries

One of the EU Commission's criteria for Albania's EU accession and integration process is the reduction of asylum cases. The criteria require the Albanian government to be committed in reducing the asylum phenomenon.

According to Eurostat, in 2022 Asylum applications of Albanian citizens in the European Union countries increased by 68% compared to 2021, bringing the total to



6,860 cases (Eurostat, 2022), despite EU calls to clamp down on the issue, (not considering the reported 14,000 applications in the UK from January during 2021 only).

France remains the first destination for Albanian asylum seekers, with almost half of the total applications, followed by Germany with 12%.

This increase of asylum seekers is occurring at a high speed despite being one of the Commission's criteria for Albania's EU accession to reduce the unfounded asylum cases.

Albania, which ranks 41st on the Global Peace Index in 2022, saw 1,100 citizens of its 2.7 million strong population file asylum applications in the EU by July 2022.

This number is more than the 950 Ukrainians, people in a nation of 43 million who are fleeing war.

The number of asylum applications filed in EU countries during the last months of 2022 was up by 0.4%, showing an increase.

Considering more case, that of 35,000 migrants, a record high, who have crossed the English Channel in 2022, using EU countries as route, the number of asylum seekers is high and increasing rapidly.

The indicator of mass emigration of Albanians is also the high number of legal emigration, or in many cases obtaining the citizenship of an EU country due to asylum seeking. According to the data made public in the Eurostat database there are about 554 thousand Albanian citizens who have left the country over the last two decades and managed to get a passport in one of the countries of the European Union since 2002. The highest number of passports was issued in 2016, with about 67.5 thousand. In 2021 alone, 32,000 citizenships were granted, ranking Albania third after Morocco and Syria. Compared to a year earlier, the number has decreased by 20%. In 2021, Albania was the third in Europe for the number of citizens who obtained citizenship in one of the EU countries. On 1 January 2022, EU citizens represented 94.6% of the EU population. Moroccans, Syrians and Albanians continue to be the main recipients of EU member state citizenship in 2021. (Eurostat, Main Recipients of an EU Member State Citizenship, Brussels, 2021).

This phenomenon is a challenge for the Albanian government that despite its effort to strengthen laws, collaboration with other countries, border control, raising awareness to the public, and so on, still has a difficult battle to win and the tangible results seem far for the immediate future.



EMCDDA: Albania the largest outdoor producer of cannabis in the region

The European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) is the leading authority on illicit drugs in the European Union. The Lisbon-based agency has been providing for years independent scientific evidence and analysis on all aspects of this constantly changing threat to individual lives and wider society. Its work has contributed to EU and national policies to protect Europe's citizens from drug-related harms, and it has drafted many thorough reports on Albania on this matter.

Sadly, during the last decades, Albania has drawn the attention of the relevant authorities and agencies on drugs trafficking, and despite the commitment of the state to combat it, the indicators still remain negative and the positive progress very minimal.

The recent report of The European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) states that Albania is the biggest trafficker of cannabis in EU. This agency found that Albania remains the largest producer of trafficked cannabis in the European Union (EMCDDA, 2022).

The Director of the General Directorate of Anti-Drug Services in Italy, General Giuseppe Cughiara recently stated that Albania remains an important country of marijuana production. The Italian justice authorities have continuously expressed concern also about the increasing influence of Albanians in the trafficking of cocaine and other drugs in the neighboring country. The head of the Italian Anti-mafia, Chief Prosecutor Federico Calferio De Raho in a television interview, stated that Albanian traffickers have an important role in Italy, cooperating with the local mafia (Ora News TV, Interview, 2020.)

Federico Calferio De Raho added that Albanian criminal groups already have a large presence in Italian territory where there are Albanian groups that manage the traffic of narcotics, sometimes in alliance with Italian mafia groups, sometimes in autonomy. The fact proves that Albanian criminal activity in Italy is particularly extensive and extends to other European countries. This mafia itself manages the import of cocaine from the producing countries and has set up a network to receive and receive these drug loads in various ports of the Tyrrhenian Sea and in Northern Europe.

The Netherlands have expressed their concern for the Albanian organized crime operating in Holland. Their concerns have reached a great extent and initiatives were undertaken in 2019 by the Dutch Assembly to restore the Schengen visa regime for Albania. A pioneer country for the liberation of the visa regime for Albanians on December 8, 2010, almost a decade later the Netherlands attempted to reverse that decision.



It is worth noticing that in a 2019 session of the Dutch Assembly, the majority party summoned the Minister of Foreign Affairs, Stef Blok and the Minister of Justice and Security, Ferdinand Grapperhaus, in relation to Albanian organized crime and its penetration into the Netherlands. The two ministers assured the Dutch parliament that the Netherlands is against opening negotiations with Albania due to the state of organized crime and corruption. Attitude which has been made known to the Albanian authorities.

Due to the links with organized crime, the members of the Dutch parliament threw the idea of returning the visas. The government coalition parties presented a resolution asking the Dutch government that the EU suspend free movement and restore the visa regime with Albania. The resolution was voted on in the Dutch Assembly on April 16 2019. (SchengenVisaInfo.com, 2019)

These events and stances by EU member countries constitute and continue to constitute step backs for the Albanian progress in the EU integration process.

According to the EU Commission Report 2022 Albania should also keep addressing the phenomenon of unaccompanied minors. The EU Commission is monitoring the trend very closely in the framework of the post-visa liberalization monitoring mechanism.

EU Council's (2022) conclusions on enlargement and the stabilization and association process

On December 2022, the Council of Europe welcomed the fact that the first intergovernmental conference was held in July 2022, stating that this was a clear recognition of the progress Albania has achieved on advancing the EU reform agenda and on delivering tangible and sustained results. (EU Council, 2022)

The Council welcomed Albania's progress on the rule of law, specifically by implementing the comprehensive justice reform and by strengthening the fight against corruption and organized crime.

At the same time, the Council also emphasized that Albania needs to intensify efforts to establish a solid track record on high-level corruption. As the indicators mentioned earlier on the level of corruption, this issue is mentioned in every annual European Union Council conclusions.

But the Council called on Albania to make tangible progress also in the areas of human rights such as, the freedom of expression, and requiring to consolidate property rights in a transparent manner, issues that have proved to be difficult to tackle.



EU commitment, Albania's progress and Clusters 1, 2, 3

2022 was an optimistic year for Albania and the Western Balkans at large, regarding the EU integration process.

On EU oriented reforms, the Albanian Parliament passed a time-limited constitutional extension of the vetting bodies mandate and nine laws aimed at alignment with the EU *acquis*.

On the meeting of June 23, 2022 European Council conclusions on the Western Balkans reiterated the European Union's expression of its full and unequivocal commitment to the EU membership perspective of the Western Balkans, calling for the acceleration of the accession process.

Building on the revised methodology, the European Council invited the Commission, the High Representative and the Council to further advance the gradual integration between the European Union and the region already during the enlargement process itself in a reversible and merit-based manner. (European Council Conclusions, 2022)

The European Council closed its remarks on the Western Balkans recalling the importance of reforms, notably in the area of rule of law and in particular those related to the independence and functioning of the judiciary and the fight against corruption, calling on the partners to guarantee the rights and equal treatment of persons belonging to minorities.

On October 17, 2022, Screening of Competitiveness and Inclusive Growth cluster as part of negotiations process kicked off with Albania. The European Commission further advanced the screening process with Albania and North Macedonia. Experts from the European Commission, Albania and North Macedonia begun examining the EU laws and policies under Cluster 3 on Competitiveness and Inclusive Growth (Directorate-General for Neighborhood and Enlargement Negotiations, 2022) Cluster 3 encompasses media, digital transformation, science, research, enterprise, industrial policy, social policy and employment, and education and culture. A variety of chapters are also included, namely customs union, economic and monetary policy, and taxation.

For Albania it started on 19 July 2022, immediately after the Intergovernmental Conferences, and resumed in September with Cluster 1 and in October with Cluster 2. Specifically Fundamentals and the Internal Market. According to the new methodology, the Screening of Competitiveness and Inclusive Growth consists of two phases: the explanatory session where the Commission departments explain chapter by chapter the EU *acquis*, and the bilateral session where each candidate country is invited to



present where it stands, by chapter, in its preparations to adopt and implement the *acquis*. The European Commission will evaluate and report to the Council on the degree of preparedness of a candidate country on a given cluster, on the candidate country's plans for future preparations and on preliminary indications of the issues that will most likely come up in the negotiations. The Council will decide, by unanimity, whether to define opening benchmarks on each negotiating cluster, on the basis of the proposal from the Commission in the screening report.

The highlight of 2022 was the EU Summit held in Tirana. 2022 concluded with an impactful summit for the European future of Albania. On December 6, 2022 the EU Summit was held in Tirana. This was a significant mark for Albania. A symbolic and meaningful summit, with an encouraging message for Albania's integration process.

Emphasizing the importance of the strategic partnership between the EU and the Western Balkans region, the EU reconfirmed its full and unequivocal commitment to the European Union membership perspective of the Western Balkans and called for the acceleration of the accession process, based upon credible reforms by Partners, fair and rigorous conditionality and the principle of own merits, which consists of mutual interest. It also welcomed the progress made by the Western Balkans Partners on their respective EU paths since the EU-Western Balkans Summit at Brdo in October 2021. Adding that the EU welcomed the holding of the first Intergovernmental Conferences with Albania and North Macedonia.

Progress and challenges

As it is emphasized in the EU conclusions of 2022, the rule of law, specifically the implementation of the comprehensive justice reform and the strengthening of the fight against corruption and organized crime remain important priorities for Albania in its integration process.

The Justice Reform is an essential factor of combating corruption, organized crime, bringing about the rule of law, improving the key negative indicators that hinder Albania's integration process.

The vetting of the judges, the functionality of the Constitutional Court and the High Court, which remained nonfunctional for three to six years brought the country back to normality heading toward progress.

However the EU Commission Report 2022 concluded that Albania's judicial system has reached a moderate level of preparation. More improvements are needed to reach a high level of preparation.



It is important to mention that the rule of law or the proper functioning of the judiciary system does not benefit only the citizen, the social peace and order of society, but also the economic progress. Only the rule of law guarantees fair and unbiased disputes between local and foreign investors and state agencies or the government.

The rule of law was stressed by the EU President Ursula von der Leyen on the occasion of her official visit to Albania on October 27, 2022. President noted that: You are strengthening the rule of law, with important reforms of your judicial system, for which you actually managed to build a cross-party consensus, and I really thank you for that. Because we know by experience that this is a precondition, but it is not easy, it takes a lot of strength to do that. And it is the right way to go forward. (President Ursula von der Leyen, speech, Tirana, 2022)

Albania faces many difficult challenges in the EU integration process. The upcoming local elections of May 14, 2023 pose the possibility for political redemption of all sides of the spectrum, both the ruling majority and the opposition. They are important, first of all, in ending the unprecedented situation of political sabotage and abandonment of participating in the race for the local governance, like the opposition parties did in 2019. After May 14, 2023 the political balance in the local governance will be restored because the city councils will consist of a variety of political spectrum. It is a chance for a free and fair electoral process which is also paramount for the integration process.

Other priorities of the Albanian integration process efforts include the freedom of speech, human rights, institutional transparency, more laws aligned with the EU *acquis*, and so on.

The Albanian government, political parties, civil society and every actor in the country need to work on improving the indicators on corruption, drugs and trafficking, money laundering, organized crime, asylum cases, and strengthen democracy and the rule of law.

A comprehensive approach that does not rely on promises and words, but as President von der Leyen said to the Albanian people in her visit to Tirana: more from your deeds, you prove that your people have shown not only vision but also resilience. You are on track on your way to the European Union.



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