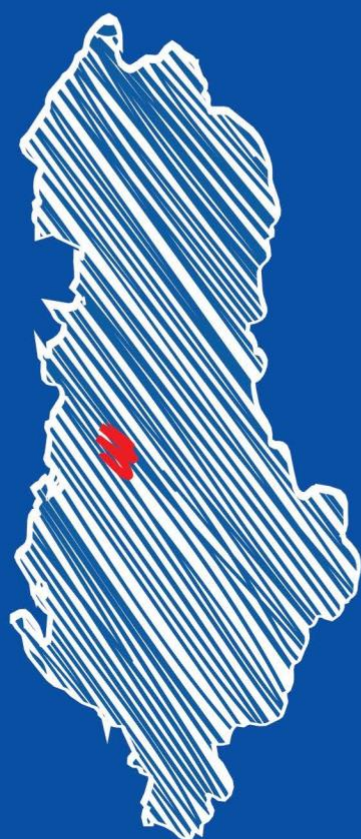




CATHOLIC UNIVERSITY
OUR LADY OF GOOD COUNSEL



ALBANIA IN THE EYES OF THE WORLD 2018



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

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FOREWORD

Each country nowadays is evaluated on different social, economic and political measures. In particular, a wide range of specialised organizations and research centres have been developing for years a large set of metrics and indicators in order to provide policy-makers, practitioners, media and scholars with appropriate tools of analysis. This is particularly relevant when dealing with the fundamental pillars of politics and current global problems. That is, besides well-known economic indicators – say, GDP, unemployment, poverty among others – policy-making must target directly other issues which are now widely accepted as long-run structural components of society. As matter of example, consider among others corruption, education, gender issues and resilience to climate change. Such trend towards standardization of social metrics is also a clear-cut aspect of globalization. Specialized reports and studies are definitely tools that contribute to designate global social standards. In what follows, we draw from recent global reports and studies a plethora of data concerning Albania to present a broader picture of the country. In particular, the aim is to describe where the country currently is and where it is heading, so profiting to evaluate Albania progress in different social, economic and political fields. In brief, 'Albania in the Eyes in the World' is intended to be a kind of *vademecum* providing guidance on Albanian development path. The pros of such approach are evident. In only one document it is possible to find a set of information whose combination eventually turns to be extremely valuable for students, scholars, journalists, policy-makers, entrepreneurs and investors.

In addition, such review is worthwhile also because we present a comparison of Albania with respect to the other Balkan states, namely *Bosnia & Herzegovina*, *FYROM (Former Yugoslav Republic of Macedonia)*, *Kosovo*, *Montenegro*, *Serbia* – better known as Western Balkans' Six (WB6) –. On the one hand, a regional comparison helps the aim of evaluating more in depth the socioeconomic features of Albania. On the other hand, it also serves the idea to present briefly a sketch of a region which is nowadays crucial in the European geo-political balance.

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ABBREVIATIONS

CPI	Corruption Perceptions Index
CSO	Civil Society Organization
EU	European Union
FAO	Food and Agriculture Organization
GGGR	Global Gender Gap Report
GDP	Gross Domestic Product
GII	Gender Inequality Index
GNI	Gross National Income
GPI	Global Peace Index
HDI	Human Development Index
IDI	Inclusive Development Index
IEP	Institute of Economics and Peace
IHDI	Inequality-adjusted Human Development Index
MENA	Middle East North Africa region
MPI	Multidimensional Poverty Index
ND-Gain	Notre Dame Global Adaptation Initiative
PPI	Positive Peace Index
RLI	Rule of Law Index
SIPRI	Stockholm International Peace Research Institute
UN	United Nations
WB6	Western Balkans' Six
WEF	World Economic Forum
WJP	World Justice Project

SUMMARY

Albania is an upper-middle income country with, according to World Bank data, an average 2017 GDP per capita of \$4,537.86 which means – if we confront previous GDPs per capita (e.g. in 2006 it was \$3,005.01) – the country is undergoing massive economic expansion and therefore social change. Despite these significant economic indicators – registered GDP growth for 2017 has been 3.8% –, the country is still characterized by high unemployment rate – 13.8% (general), 30% (youth) –.

The “Eagles’ Country”, having established itself as a parliamentary republic in 1991, is a relatively new democracy. Thus, its institutional framework is still a work in progress. Recent governments have made significant efforts to renew the economic, democratic, legislative and market structure. This renovation has been capital to succeed first (2014) in becoming official candidate for EU accession and then in progressing towards the respective beginning of accession negotiation talks – which have been backed by the Commission in April and received the crucial green light by the European Council on the 26th of June 2018 –¹.

Each of the forthcoming chapters – with the exception of few – is built this way: first, we are going to present and briefly describe the indexes we selected; second, out of these reports, we are going to delineate Albania profile thanks to the data available and eventually, we are going to present a data comparison between Albania and the profiles of the remaining WB6.

To start we will give a general perspective of what we are going to discourse through two different charts comprising Albania rankings (the first) and scores (the second) from a selected group of the indexes we examined – indexes representing scores hardly fitting in the chart will be evaluated singularly in the next chapters –. To facilitate the reading, we will gear chart #2 indexes’ scores toward a unique measuring standard. The following charts, particularly chart #2, bring us some interesting results. Considering that EU experts remarked profound weaknesses in the Rule of Law, it is enlightening to see that Albania is above the average score in every index consulted except for the Rule of Law Index and the Corruption Perceptions Index.

¹ <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180417-albania-report.pdf>

In general, EU enlargement is a long path that involves the harmonization of the candidate country to the Community Acquis – a list of 35 chapters candidate countries are obliged to adopt into their national legislation –. With regard to Acquis chapters, in the case of Albania, EU experts underlined different shortcomings in relation to legislative harmonization of chapter 11 “Agricultural & Rural Development”, chapter 13 “Fisheries”, chapter 25 “Science & Research” and chapter 28 “Consumer & Health Protection” while praising advancement made in chapter 1 “Free Movement of Goods”, chapter 10 “Information, Society & Media”, chapter 23 “Judiciary & Fundamental Rights” and chapter 24 “Justice, Freedom & Security” – the last two thanks to the adoption of a comprehensive and still ongoing Justice Reform –.

CHART 1

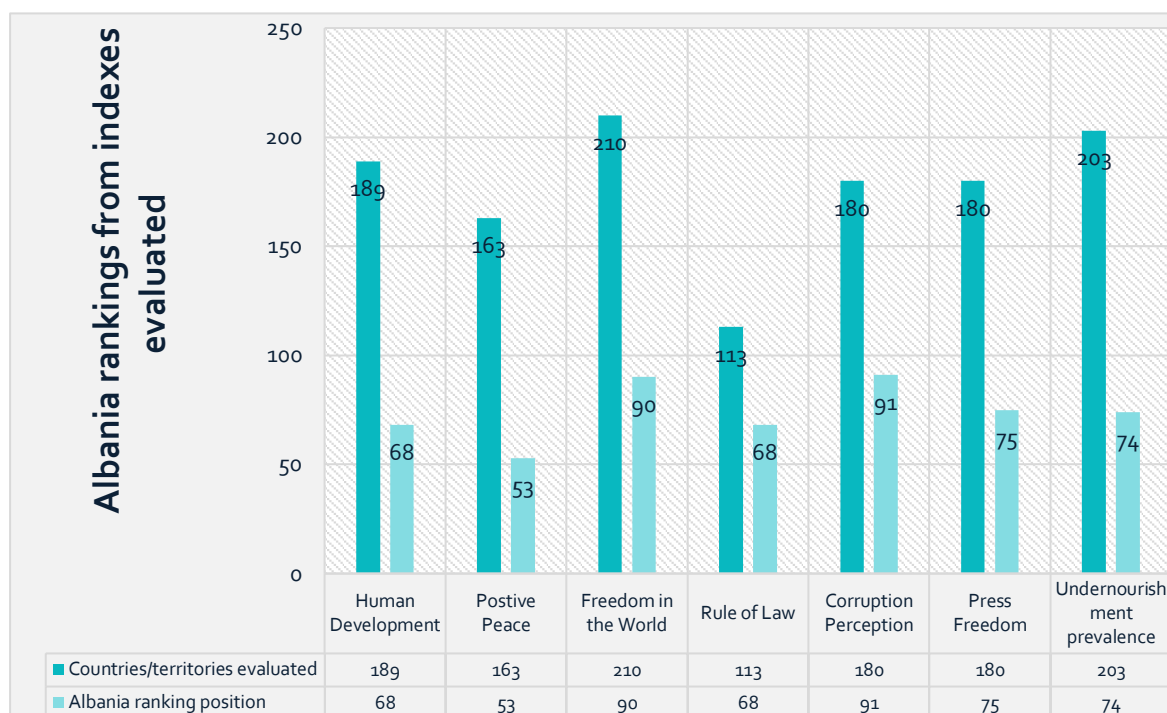
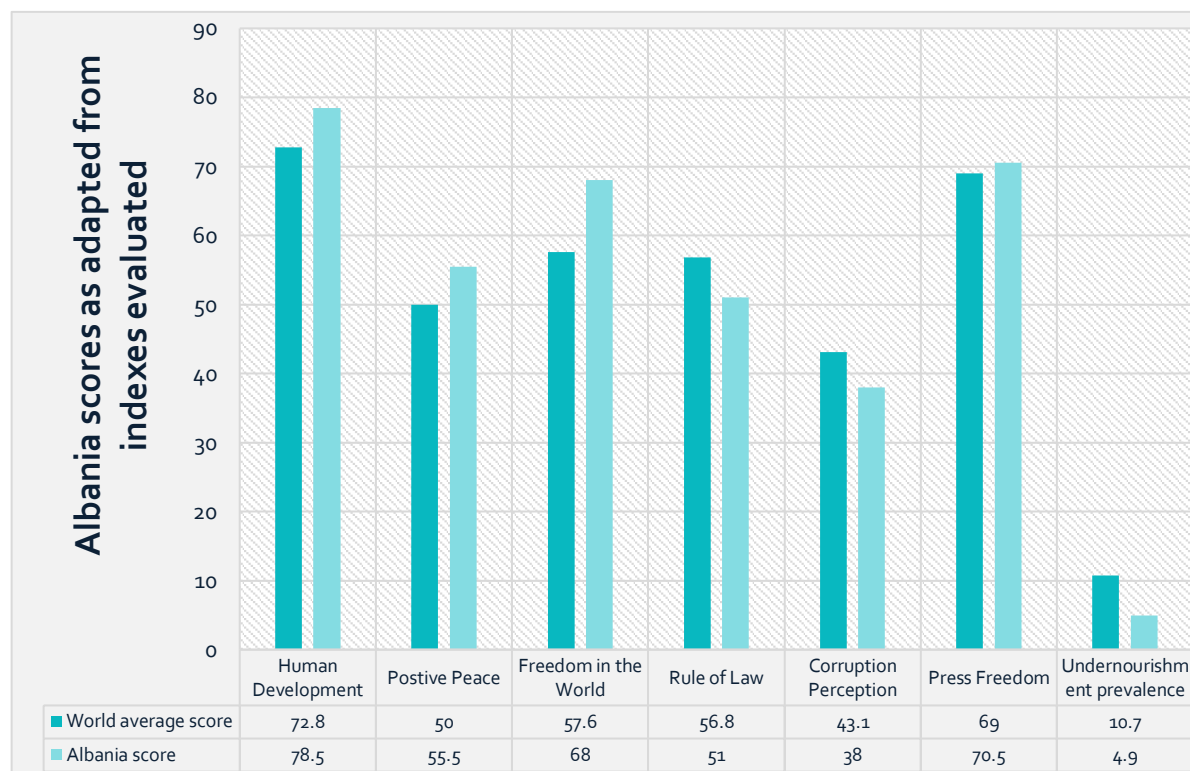


CHART 2



1. HUMAN DEVELOPMENT INDEX

1.1. WHAT DOES HDI MEASURE?

Human Development Index (hereafter HDI) since 1993 is used by the United Nations Development Programme (UNDP) to measure the living standard of a country. HDI is currently used together with GDP to evaluate countries development. Human Development Report, in addition to economic performances, literacy levels and life expectancy measures other social factors² in order to offer a broader picture of global and single nations' welfare level. HDI is now considered a very reliable measuring standard to assess global or national social and economic progress.

The "Human Development Indices and Indicators, 2018 Statistical Update" – scores of which refer to year 2017 – pointed out that human progress, poverty and hunger eradication, social inclusion and equality, are now highly connected to globalisation, world governance, geopolitical balances, community involvement, capacity building and climate change resilience.

1.2. ALBANIA IN HUMAN DEVELOPMENT REPORT

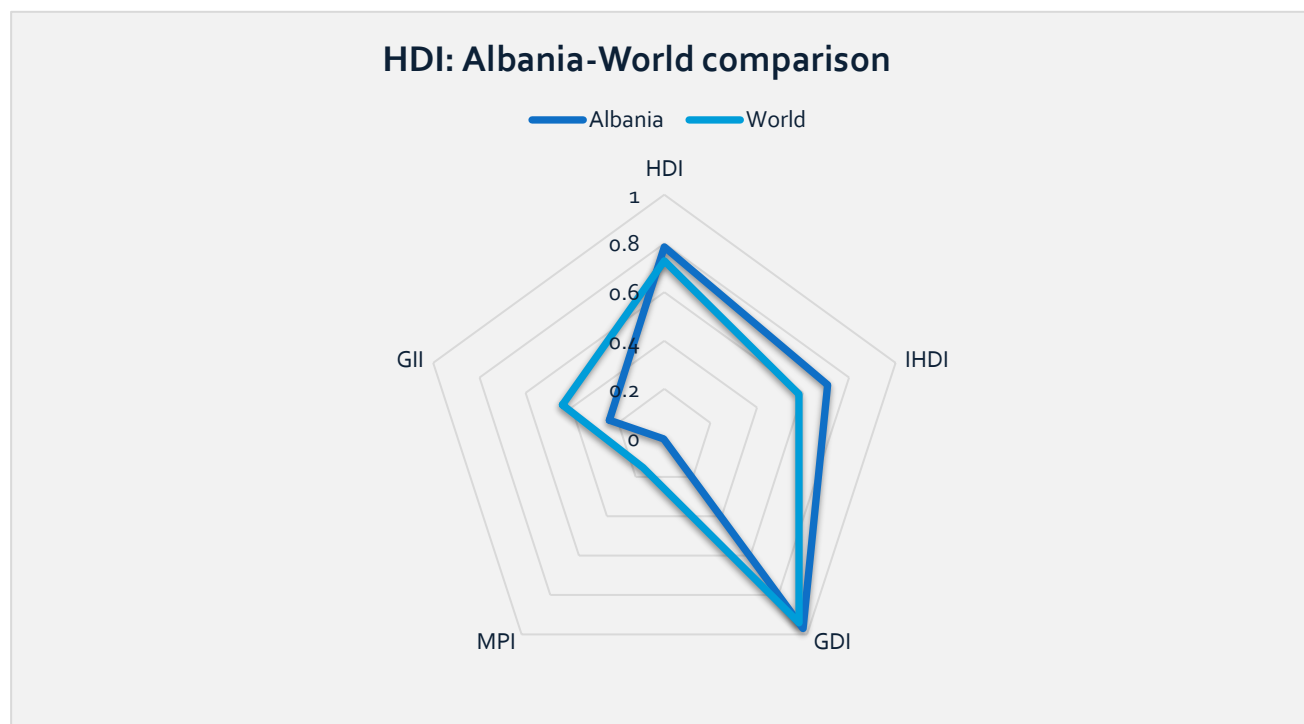
According to 2018 HDI, Albania ranks 68th out of 189 evaluated countries/territories. It scored a total of 0.785. In analysing Albania within the Human Development Index, we will consider only macro indicators: (i) Human Development Index (HDI); (ii) Inequality-adjusted Human Development Index (IHDI); (iii) Gender Development Index (GDI); (iv) Multidimensional Poverty Index (MPI), Gender Inequality Index (GII). Albania is above the world average (chart #3) regarding HDI (0.785 against a 0.728 world average), IHDI (0.706 against world 0.582) and GDI (where Albania scored 0.970 compared to a 0.941 world value).

Concerning MPI³ and GII, Albania with respective 0,005 and 0,238 scores is below the global average (0.150 for MPI and 0.441 for GII), however these two values are to be read in reverse with respect to the previous three, meaning that 1 is the worst and 0 the best score possible. About micro indicators, there are some which captured our attention, both in a positive and negative way, but not to speak at length we are going to examine and compare them with those of the other WB6 in the next paragraph.

² Other social indicators covered by HDI report are: gender development; gender inequality; life-course gender gap; multidimensional poverty (only for developing countries); population trends; health outcomes; education achievements; national income and composition of resources; work and employment; human security; international integration; perception of well-being; status of fundamental human rights treaty; sustainable development

³ Multidimensional Poverty Index measures poverty appraising three different deprivation dimensions – health, education and standard of living –; MPI values refer to the Human Development Report 2016 as no updated data is available at the time of this drafting.

CHART 3

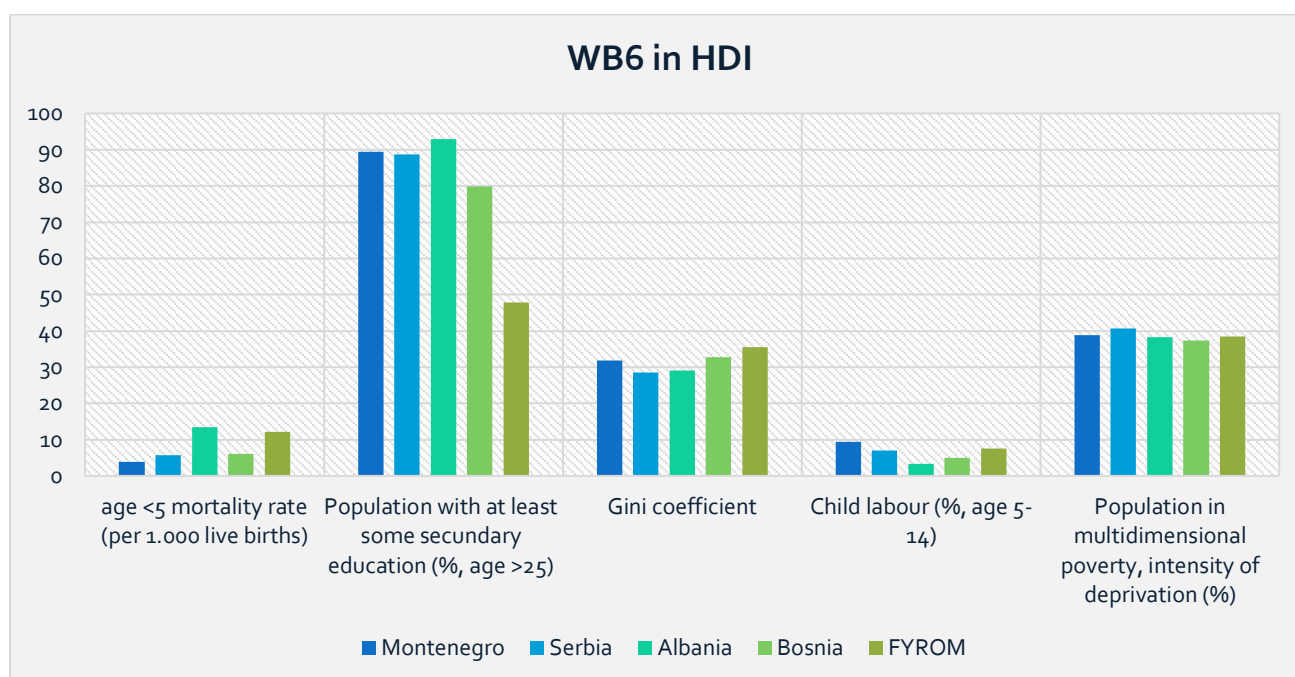


1.3. WB6 IN HDI

Montenegro and Serbia are the highest-ranking countries within our cluster of interest. Montenegro totalled a score of 0.814 (50th in the world ranking) and it is the only "Very High Human Development" country in the Balkan Area, while Serbia registered a 0.787 score (67th of the ranking) so placing itself among the "High Human Development" countries. Bosnia & Herzegovina and FYROM are both below Albania, the first collecting a total score of 0.768 (77th), the latter standing close with a 0.757 score (80th).

Since Kosovo is not a UN member, it is not included in the HDI. Still, an overall score can be discovered but it is not calculated by UNDP and it is not official, for this reason we are not going to include Kosovo in the analysis. To make the comparison more interesting and in-depth, we are going to extract a group of selected socioeconomic sub-indicators that we deemed useful for our purpose and which the reader can easily visualize in chart #4.

CHART 4



***Bosnia & Herzegovina Child labour value refers to 2016 Human Development Report**

From chart #4 it is remarkable to select a few data to comprehend what kind of differences do exist between countries from our cluster. Concerning “age under five mortality rates”, “population with at least some secondary education” and “income inequality” – the Gini coefficient –, a few exceptions caught our attention: I. Albania registered anomalous score (13.5 deaths every 1,000 children) in mortality rate for children aged under five and it could be interesting to link this circumstance to past public health expenditures and ineffective policies of poverty eradication, mostly in the rural areas. However, recent efforts in dedicating a significant share of GDP to health (6.9% in 2015) as well as new policies and European instrumental aid for rural socioeconomic development could reverse the trend in the near future.

II. FYROM, the lowest ranking country from WB6, disclosed, out of our selected indicators, a few interesting performances that partly could explain its position in the index. Concerning education indicators, the country is placed well below WB6 average. For example, FYROM percentage of population with at least some secondary education is 47.8 (WB6 mean is 86). However, this is not the only indicator we can use to demonstrate FYROM distance from other WB6 in this field. About gross enrolment ratio in secondary education, we can find the same gap between FYROM – which has a gross enrolment ratio of 82% – and the other countries from our cluster – WB6 average (Bosnia & Herzegovina excluded due to unavailable data) is 94% –Albania registered, together with Serbia, the highest results concerning gross enrolment ratio in primary, secondary, tertiary education with 110%, 95% and 61% ratios – 101%, 96% and 62% for Serbia –.

2. THE GLOBAL PEACE INDEX

2.1. ABOUT GLOBAL PEACE INDEX

The Global Peace Index (GPI) is produced annually by the Institute of Economics and Peace and it ranks countries on peacefulness levels. The Index has been launched for the first time in 2007, it is the first report to appraise countries according to their peace status and it is now widely praised as one of the world's leading measure for this subject. The GPI considers three main domains divided in 23 sub-indicators⁴ as deduced by various sources: (i) Level of safety and security inside the society; (ii) Gravity and extent of internal and external conflicts; (iii) Country levels of militarization. The GPI currently ranks a total of 163 countries, both independent states and territories and covers the 99.7% of the world population.

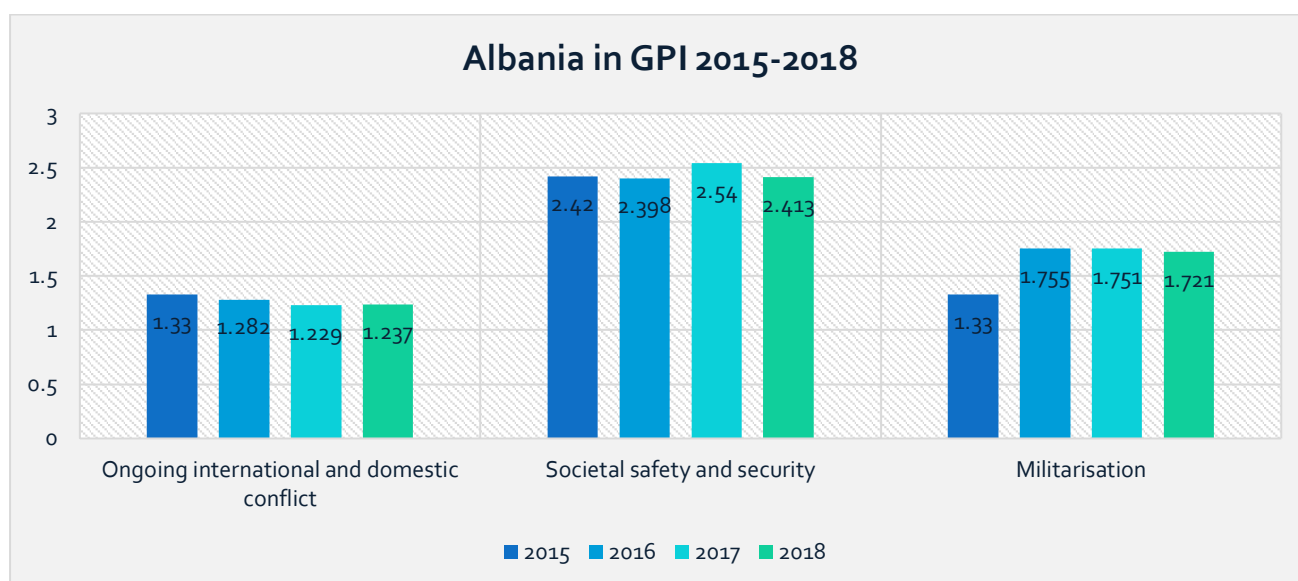
According to the 2018 report, the world came to know its fourth consecutive year of peace deterioration. In detail, in 2017, 92 countries registered a deterioration in peacefulness while 71 improved their condition. Disaggregating by world macro-region, the 2018 GPI report highlights Europe as the most peaceful geographical area; South Asia accounts for the largest regional improvement; the MENA region registered an amelioration, however, in the last eleven years, this is only the third time an improvement is recorded. In ten years, the global peace level has deteriorated by a 2.38%.

2.2. ALBANIA AND GPI

As stated in the 2018 GPI report, Albania ranks at position 52 with an overall score of 1.849 – on a 1-5 scale –. Since 2015, Albania has recorded a slight and nearly unperceivable decay in its overall peace score of 0.28; in this 4-year period no change can be registered regarding its position in the rank. In chart #5 we draw a picture of Albania, comparing its profile from 2015, 2016, 2017 and 2018 reports and its respective scores from the three main subjects evaluated by GPI.

⁴ GPI indicators are: **Ongoing internal and external conflict domain** – number and duration of internal conflict; number of deaths from external organized conflict; number of deaths from internal organized conflict; number, duration and role in external conflict; intensity of organized internal conflict; relations with neighboring countries –; **Social safety and security** – level of perceived criminality in society; number of refugees and internally displaced people as a percentage of the population; political instability; political terror scale; impact of terrorism; number of homicides per 100,000 people; level of violent crime; likelihood of violent demonstrations; number of jailed population per 100,000 people; number of internal security officers and police per 100,000 people –; **Militarization** – military expenditure as a percentage of GDP; number of armed services personnel per 100,000 people; volume of transfers of major conventional weapons as recipient (imports) per 100,000 people; volume of transfers of major conventional weapons as supplier (exports) per 100,000 people; financial contribution to UN peacekeeping missions; nuclear and heavy weapons capabilities; ease of access to small arms and light weapons –.

CHART 5



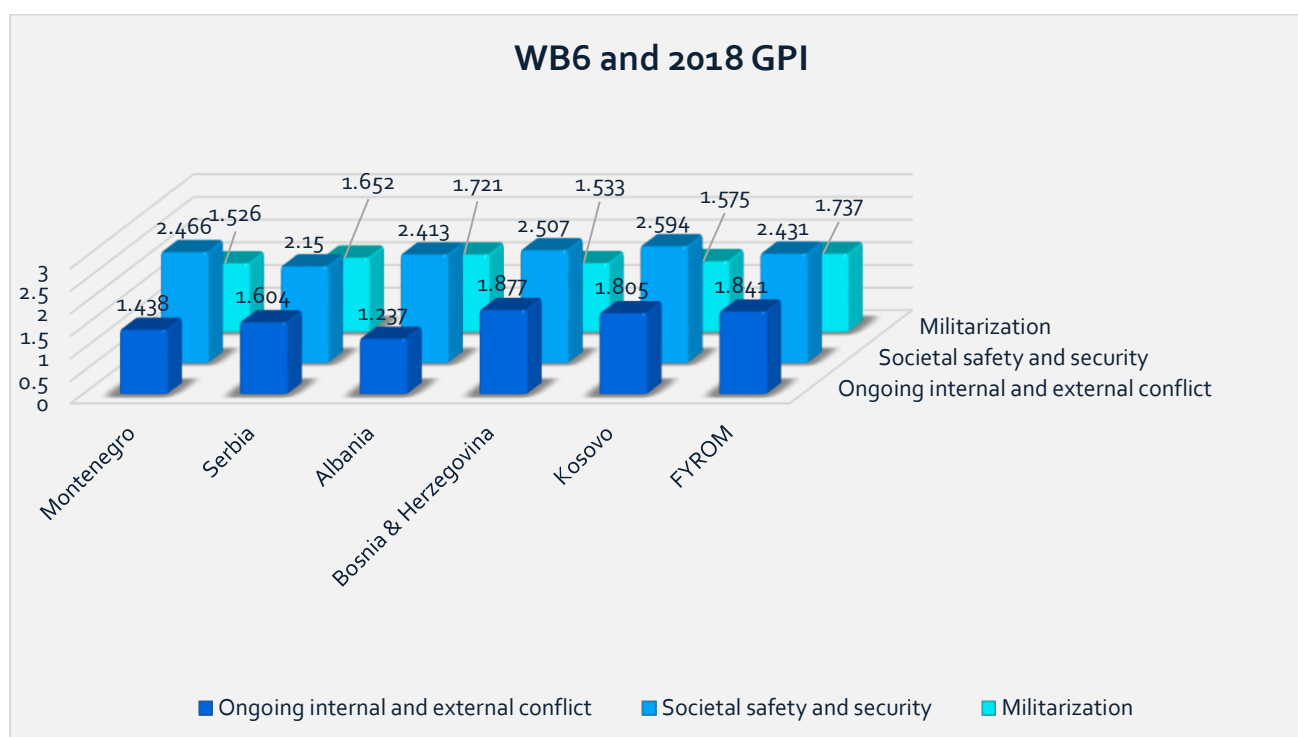
According to chart #5, Albania, in this 2015-2018 time-frame, recorded a clear worsening in the “militarization” subject – shifting from a score of 1.33 (2015) to 1.721 (2018) –, while “ongoing internal and external conflict” and “societal security and safety” registered a very feeble improvement – the first of a 0.093, the second of a 0.007 –. These numbers could raise some concern regarding peacefulness in the country, however, they lose some significance compared to the broader context – e.g. globally, “ongoing internal and external conflict” deteriorated by 5.9% in the last decade and has involved 14 European countries and “societal security and safety” worsened by a 2.9% –. Lastly, contrary to the global tendency, where, in the last decade, GPI documented an improvement of 3.2%, Albania recorded a very feeble increase in the “militarization” domain score.

2.3. PEACEFULNESS IN THE WB6

According to the 2018 GPI report, and confirming their position as best positioned country for EU accession, Serbia and Montenegro are the best ranking countries (Albania excluded), respectively at position number 54 and 58, with an overall score of 1.851 and 1.893. FYROM, Bosnia & Herzegovina and Kosovo they all stand very far from the other WB6 members. FYROM ranks at position 87 (score 2.058), Bosnia & Herzegovina is 89th (2.065) and Kosovo 92nd (2.078). Albania, Serbia and Montenegro are classified as countries with high peace levels, FYROM, Bosnia & Herzegovina and Kosovo are categorized as medium peace levels⁵ countries. In chart #6 it is assessed WB6 status in the GPI – referring to the 2018 report – with their respective thematic scores.

⁵ There are five peace levels categories for the countries evaluated by the GPI: Very high; high; medium; low; very low.

CHART 6



Out of our countries of interest, Albania emerges as the most peaceful, recording scores surprisingly better than its neighbours in the “ongoing internal and external conflict” domain, although its score in the “militarization” subject remains high compared to the other countries from our cluster and it is rivalled only by FYROM (1.737).

3. POSITIVE PEACE REPORT

3.1. POSITIVE PEACE

Positive Peace Index, also elaborated by IEP, is based on the simple axiom that for a lasting peace, rather than the absence of conflict, society must pursue acceptable level of economic performances, social inclusiveness, resilience to climate-related and external events, socioeconomic equality and well-being distribution, respect for civil liberties and human rights. In fact, the IEP elaborated the Positive Peace Index on 8 fundamental pillars – based on 24 indicators taken from diverse sources⁶:

- I. **Well-functioning government:** is the concept reprised by Rule of Law; a functioning government requests power balance between Judiciary and politics, proper mechanism for fight against public corruption, government accountability and civic involvement in decision-making;
- II. **Equitable distribution of resources:** is the guarantee that every feature of a person life-cycle (education, employment, health, recreational and cultural life) is rendered accessible for everyone irrespective of social status;

⁶ Indicator Sources for the Positive Peace pillars are taken from: EIU (Economist Intelligence Unit), World Bank, Legatum Institute, Heritage Foundation, Fragile State Index/Fund for Peace, Transparency International, Cornell University, Commonwealth Secretariat, Freedom House, ITU (International Telecommunication Unit), Reporters without Borders, Human Development Index, IDP, CIRI (Cingranelli-Richards) Human Rights Project.

- III. **Free flow of information:** the independence and the freedom for a media outlet to cover every public and society aspect in order to offer an open information to citizen and civil society, therefore creating a quality internal debate and paving the way for bottom-up decision making;
- IV. **Good relations with neighbours:** the extent to which a country carries peaceful and cooperative relations with its neighbours. It is demonstrated that a country practicing these kinds of policies abroad gets higher level of internal peace and social development;
- V. **High levels of human capital:** human capital is dictated by education policies. Where people are ensured with knowledge and where education is widely accessible, socioeconomic development, political and decision-making participation are boosted;
- VI. **Acceptance of the rights of the others:** freedom to express itself, own religion and own culture in a safe environment is the litmus test for peaceful for societies and Human Rights fulfilment;
- VII. **Low levels of corruption:** corrupted societies show unequal level of resources and well-being allocation, preventing States from ensuring essential services. This cycle of services funding shortages, misappropriation at the expense of the vulnerable, create fertile ground for institution distrust, violent behaving and uprising;
- VIII. **Sound business Environment:** countries where a set of legal frameworks for protection, development of business and competitiveness do exist are those which disclose better economic performance and peaceful society.

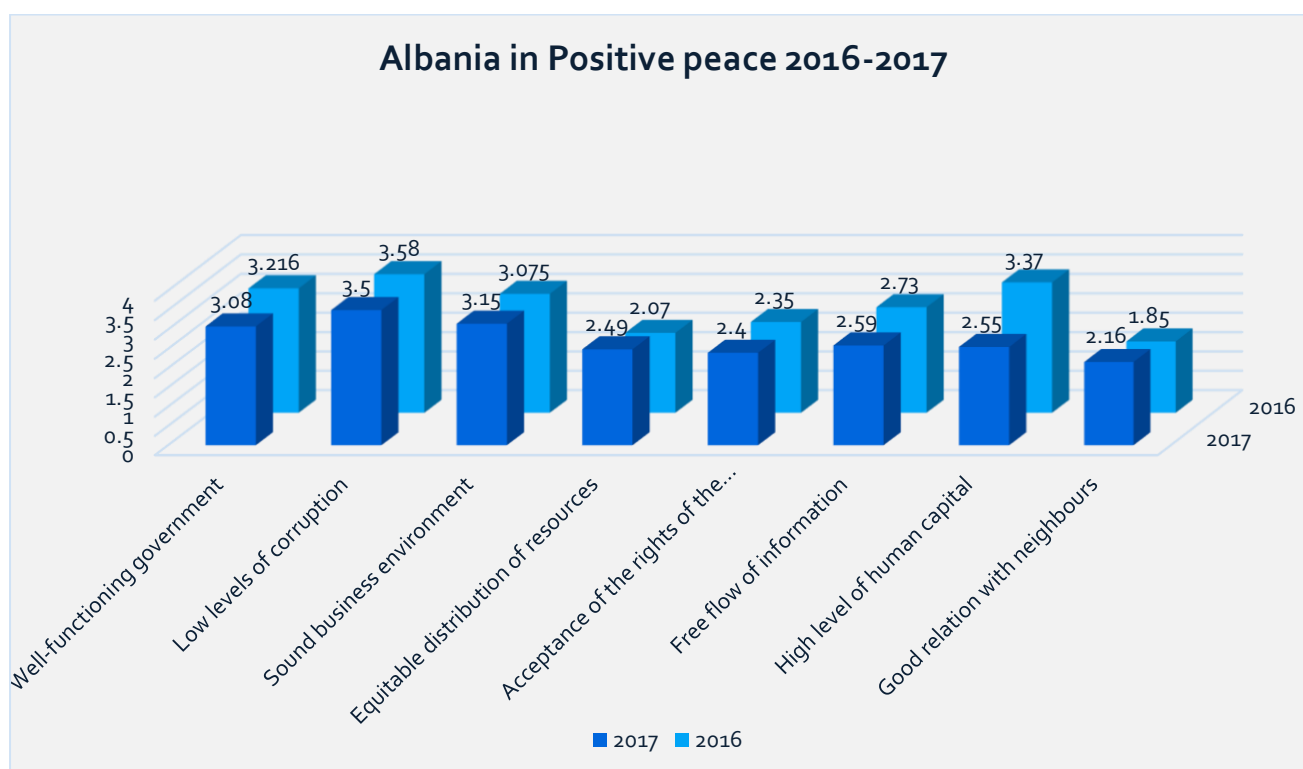
3.2. ALBANIA AND POSITIVE PEACE

Beginning with the classification employed by the Institute of Economics and Peace; countries and respective state of Positive Peace levels are divided in 4 groups: "Very High", "High", "Medium" and "Low"⁷. Concerning the 8 pillars, the Positive Peace Report registered that since 2005 every pillar has improved except for "Low levels of Corruption" and "Acceptance of the Rights of the other". Discoursing over changes in the ranking, Albania is the country registering overall highest improvement in PPI (an estimated 9%) since 2005, leaping in 2017 report to position 53 (score 2.79) from the previous year position 62 (2.837).

Indeed, this surprising ranking jump suggests us to compare Albania profile from the 2017 and the 2016 reports, to see in which of the Positive Peace Pillars best achievements have been registered. Chart #7 visually helps our comparison.

⁷ Score range varies between 1 – "Very High countries" – and 5 – "Low" countries.

CHART 7

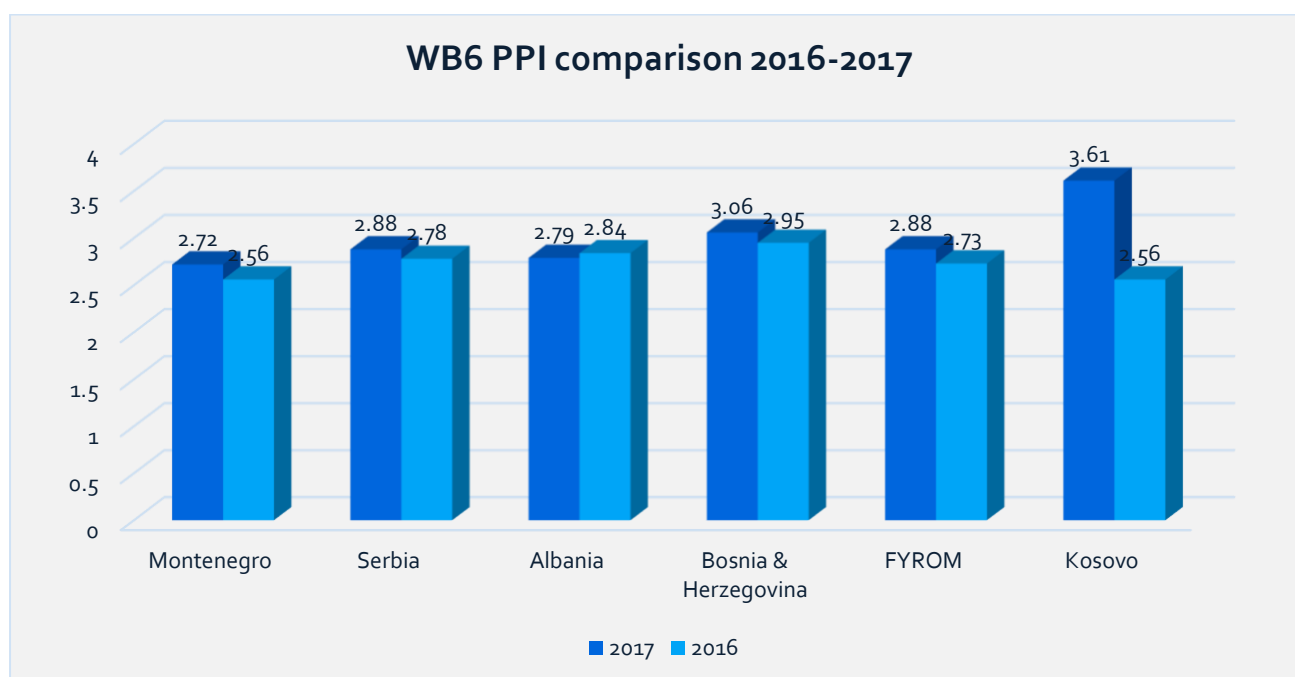


The chart and the indicators taken from PPI reports, confirm us that main achievements fall under pillars concerning the wider Rule of Law concept – well-functioning government; low levels of corruption; free flow of information –. This could also indicate that government efforts (Justice reform) are focusing on the implementation of EU standards regarding the chapter deemed fundamental and unnegotiable by the European Commission. Despite of an overall improvement, Albania registered a few Positive Peace pillars' deteriorations. Good relations with neighbours, acceptance of the rights of the others, equitable distribution of resources and sound business environment, all displayed a slight worsening. While for "good relations with neighbours" we could refer to a still fragmented Balkans geopolitical context, for the other pillars we could argue that the worsening is shared with many other countries and it is linked to diverse global social and economic synergies.

3.3. POSITIVE PEACE IN WB6

Before considering WB6 scores in PPI for comparative purposes, it would be interesting to see if any of our country of interest registered an overall improvement from previous years Positive Peace Report. Serbia, in the wake of Albania, registered an impressive improvement in its overall Positive Peace score since year 2005 (totalling a nearly 8% increase), however, its 2017 position and score worsened compared to 2016; it is interesting to notice that, according to 2017 report, none of the WB6, except for Albania, – as shown in chart #8 – registered an amelioration in Positive Peace.

CHART 8



Kosovo underlined the worst performance dropping from position 46 (score 2.56) in 2016 to position 124 (score 3.61) in 2017. The other WB6 countries all registered slight worsening. In fact, they disclosed negative trends in Pillar 1 “Well-functioning Government⁸” and Pillar 4 “Equitable distribution of resources”. Despite 2017 report performances, since 2005 the WB6 have achieved, due to their transition to fully functioning democracies, a considerable improvement of the 8 positive pillars. Nonetheless, the registered worsening of Pillar 1 again hints at the fact that Balkan countries are facing critical issues in concepts connected to Rule of Law and the next chapter will consolidate this hypothesis.

4. RULE OF LAW: THE DOOR TO EU

4.1. RULE OF LAW INDEX

Rule of Law is the principle for which a cluster of rules is set to govern a country, preventing decision-making to be made by individual government officials. A functioning and effective Rule of Law normally constitutes a framework of rules everyone is entitled to, implying that every component of society, independently from its position, is subjected to Law. The “Rule of Law Index 2017-2018” is issued annually by the World Justice Project. It is intended for the use of policy makers, civic society organizations, researchers and academics.

The study evaluates not only mere technical aspects but even social indicators that constitute a broader conceptualization of Rule of Law – as it is the case of “Fundamental Rights”, “Order and Security” and “Open Government” –. In particular it considers 8 features:

⁸ WB6 scores for Pillar 1 “Well-functioning Government” for 2016: Serbia (2.97), Montenegro (2.863), Kosovo (2.18), FYROM (2.829) and Bosnia & Herzegovina (2.799); and for 2017: Serbia (3.078), Montenegro (3.01), Kosovo (3.25), FYROM (3.09) and Bosnia & Herzegovina (3.34).

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

4.2. ALBANIA COMPARED TO THE OTHER BALKAN COUNTRIES

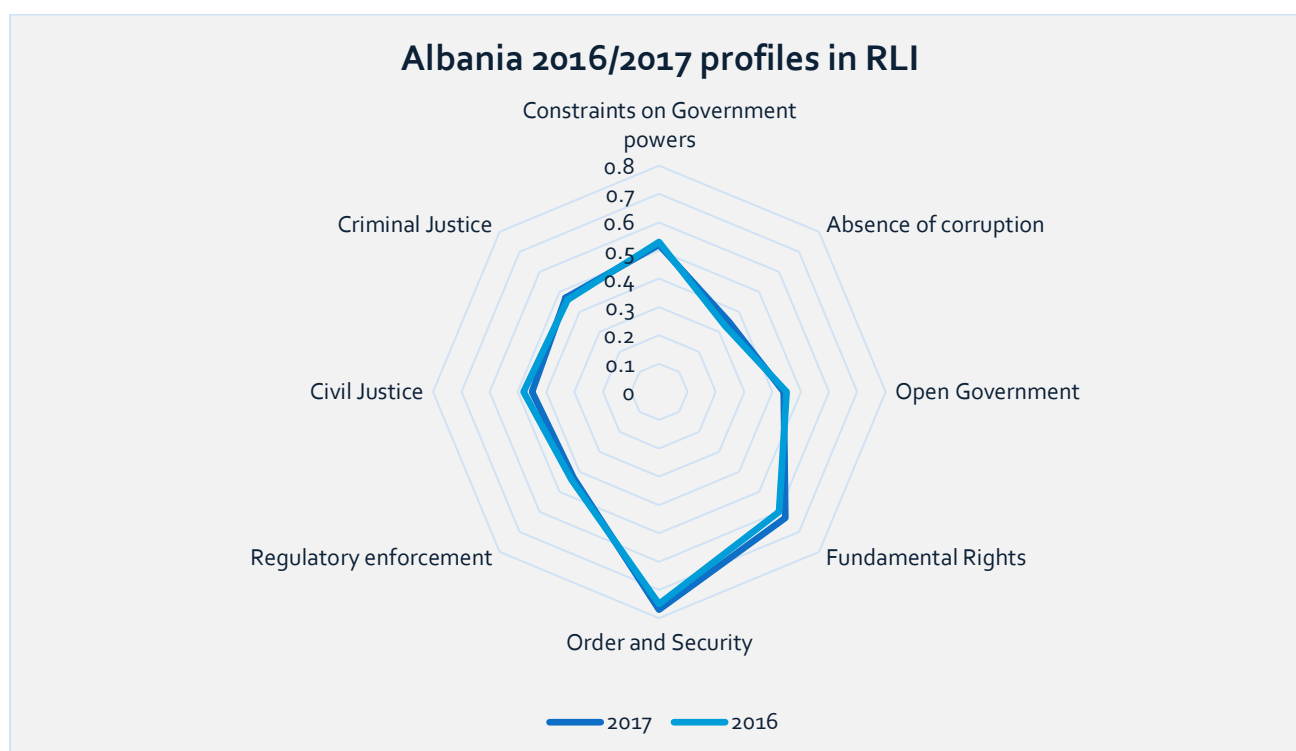
According to this year report, Albania ranks 68th out of 113 examined countries, with a result of 0.51 – 0 representing the worst and 1 the best score possible – and gained four positions, but no change in score compared to previous year index. A complete comparison with WB6 it is not feasible due to the absence of Montenegro and Kosovo in the index. Then we focus our attention particularly on the comparison of Albania 2016 and 2017 profiles (chart #9 from next paragraph). Concerning other WB6 in the report, the best ranked is Bosnia and Herzegovina which ranks 56/113 even if it worsened its score by 0.3 points reaching a total of 0.53. The same appears to be for FYROM which ranks 57th (losing 3 positions) and has Bosnia & Herzegovina identical score – with a downgrade of 0.1 –. Surprisingly Serbia totals a 0.50 score, ranking at position 76. Albania is the only country of the cluster not to register a drop in its score.

4.3. ALBANIA PROFILE IN WJP RULE OF LAW INDEX

Regarding current situation in Albania, EU (via the Albania 2018 report carried by the European Commission⁹) praised the great commitment assumed by the Government in reforming Justice, fighting organized crime and actualizing Justice officials mandate, skills and duties. Justice reform is still an ongoing process – vetting system reform for example is under discussion in the parliament –, this renders difficult to find clear improvement in this year Rule of Law Index.

⁹ <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180417-albania-report.pdf>

CHART 9



De facto Albania showed no explicit changes in any of the 8 Rule of Law chapters analysed by the report. A slight improvement is detectable in chapter 2 “Absence of Corruption” and in chapter 5 “Fundamental Rights”, but such improvements were not sufficient to cause change in overall score. With reference to the individual chapters, Albania registered the highest results in chapter 5 “Order & Security”, chapter 4 “Fundamental Rights” and chapter 1 “Constraints on Government Powers”, with respective scores of 0.77, 0.63 and 0.52. Chapter 2 “Absence of Corruption” appears to be the most impellent chapter to tackle, considering that Albania registered a score of 0.35, ranking 94/113 in the Global rank, 34/36 in the Income rank and 9/13 in the Regional Rank¹⁰, and its worst performing paragraph is 2.4 “Absence of Corruption in the Legislature” where Albania scored 0.18, the lowest score amongst every paragraph of any chapter. Paragraph 2.4 score demonstrates that one of the most urgent issues is spreading among civil society, national politicians and government officials the value of transparency and accountability.

Further efforts are still needed to empower and increase the independence of the Judiciary as well as to create the premises to make Government accountable and “open” to citizens.

¹⁰ Regional rank considers a cluster of countries with similar social and territorial background – in this case, Albania, FYROM, Serbia, Bosnia & Herzegovina, Turkey, Georgia, Kazakhstan, Belarus, Ukraine, Moldova, Kyrgyzstan, Russia and Uzbekistan –.

5. DOING BUSINESS REPORT

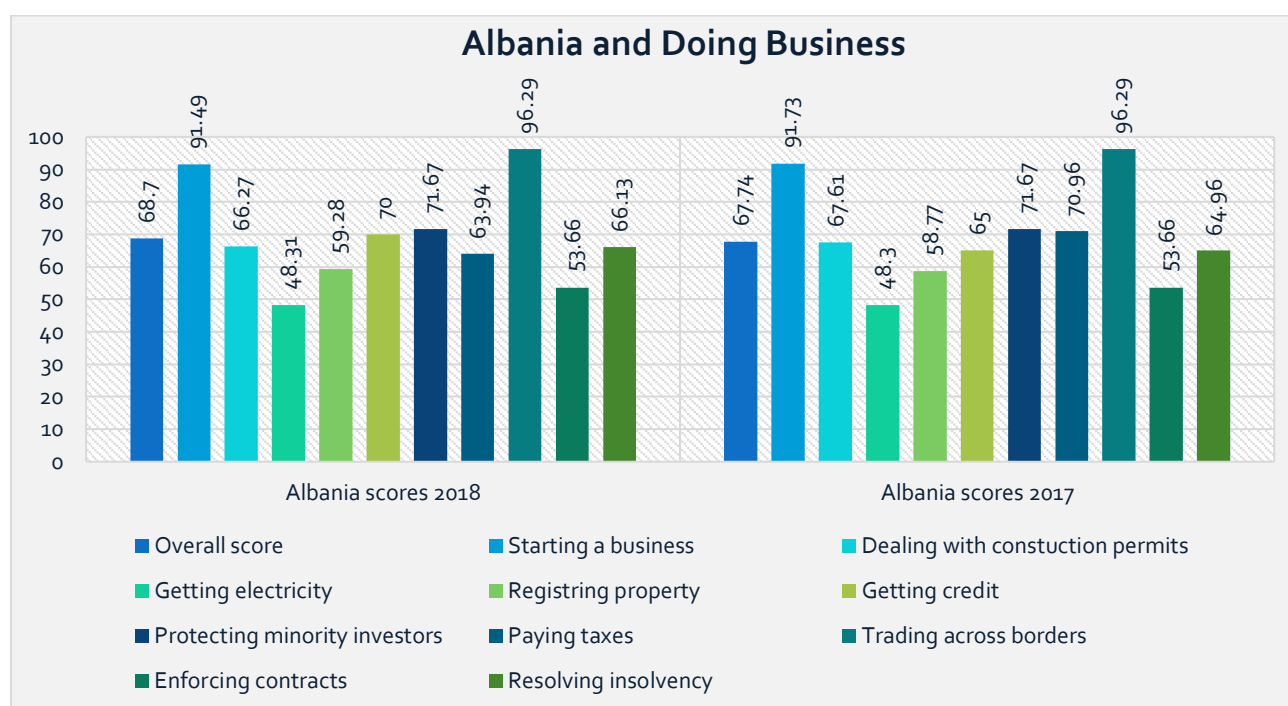
5.1. EASE OF DOING BUSINESS AND FUNCTIONING STATES

The Doing Business Report 2018 evaluated the business environment of 190 countries assessing a set of 11 indicators ranging from those involving the easiness of operating a business, the laws adopted for protecting a business, copyrights and royalties, to the ones assessing permits required to start an economic activity, taxes level, etc. The purpose of the Doing Business Report is to create a global policy document informing about economic reforms design and how to tackle issues connected to poor business performances. The report is an indicative paper for effective and responsible development of the private sector which account for an estimated 90% of employment in the developing economies. The report is becoming a flagship document for economic policies implementation and in a decade has been used by nearly 60 countries as a reference for regulatory reforms.

5.2. ALBANIA IN DOING BUSINESS REPORT 2018

Albania ranked at position 65, out of 190 countries evaluated, in the 2018 Doing Business Report, with a total score of 68.70 – on a 0-100 scale – and an overall improvement of 0.96 compared to previous year report. Some improvements have been highlighted by the report: a strengthening of the access to credit through amendment to the Civil Code, law on securing charges and a new insolvency law; amendments in the legislation to allow equal payment between men and women and to put a cap on the maximum of hours allowed in a workweek.

CHART 10



As shown in chart#10, the slight improvement of the country between 2017 and 2018 is due mainly to an improvement in the easiness of getting credit for starting a business – Albania passed to a 70 score up to the 65 score of the previous year – and the efficiency in resolving insolvency – where Albania scored 66.13 in

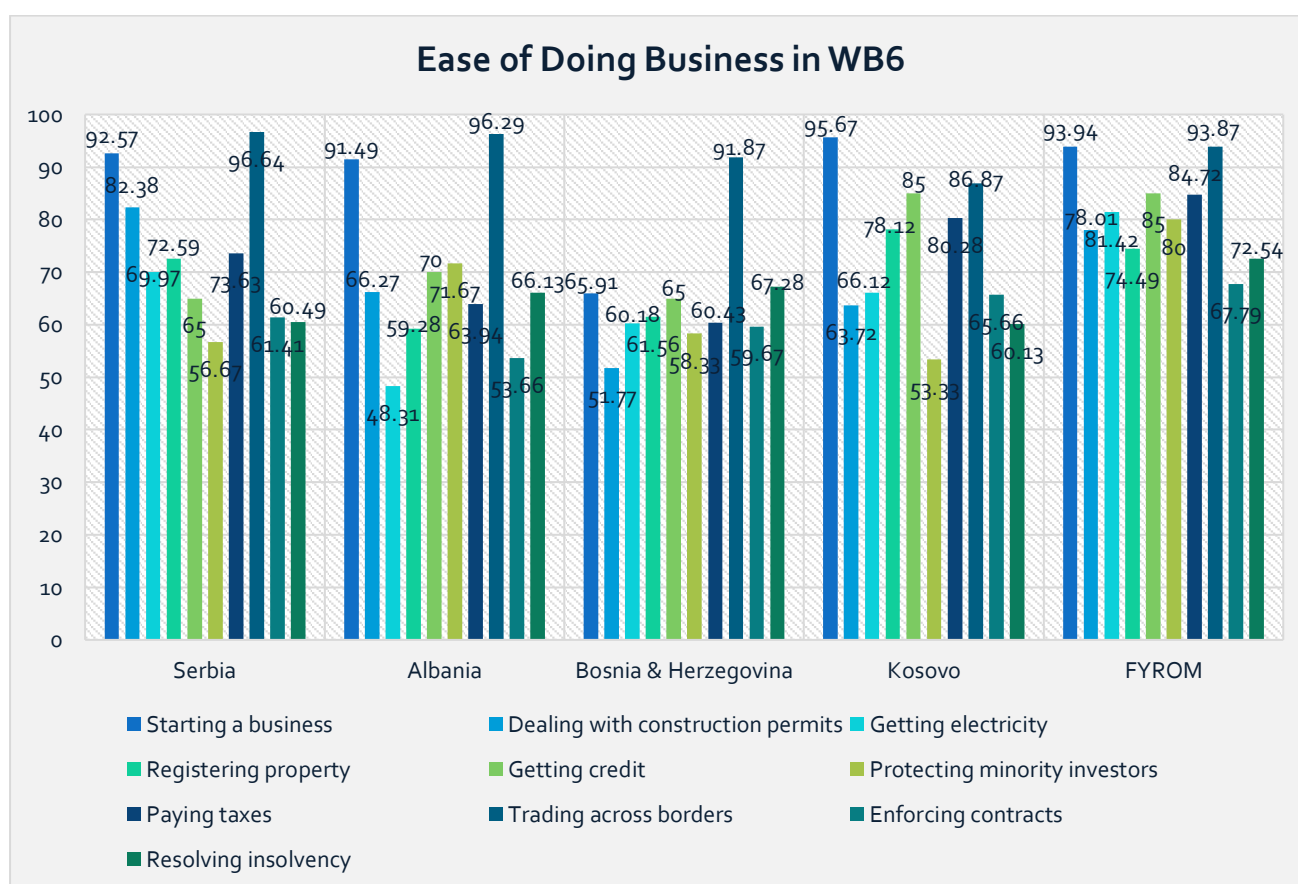
2018 compared to 64.96 from the 2017 report –. An unperceivable deterioration has been noticed in the following indicators: “Starting a business” (a slight worsening of -0.24) and “Dealing with construction permits” (where the countries registered a -1.34). A far worse deterioration has been registered in the “Paying taxes” chapter where the worsening has been of -7.02.

5.3. EASE OF DOING BUSINESS IN THE WB6

Among the WB6, the country best ranked is FYROM at position 11 – with an overall score of 81.18, but with a downward trend compared to 2017 report (-0.21) –. Kosovo, standing at position 40 (score 73.49), is another exceptionality and it is above Montenegro at position 42 (score 73.18) and Serbia positioned at 43 (score 73.13). Kosovo’s performance might be influenced by the fact that the country is still shaping its internal market and this condition could create a fertile field for business seeding. The worst performing country from our cluster is Bosnia & Herzegovina at position 86, with an overall score of 64.20; this could be the reason why many EU operational and financial resources have been lately focused on boosting the business sector of the country (amongst EU members involved in the process is Italy that in 2017 via its Cooperation Agency named Bosnia & Herzegovina a priority country).

Concluding this brief analysis, we can say that compared to its neighbours, Albania still appears to run late in completing its economic transition and is still missing an effective business environment. In the following chart, Doing Business indicators for the remaining WB6 countries are shown.

CHART 11



According to the information we excerpt from the 2018 Doing Business Report, few of the countries from our cluster – like FYROM and Kosovo – are experiencing a very fertile business environment, however, this must not mislead us in considering that WB6 countries still are facing many disbalances in their

business legal framework and issues persist concerning several indicators – e.g. “Resolving insolvency”, “Protecting minority investors” and “Enforcing contracts” –. Concluding, despite some worrying indicators the road awaiting the Balkans’ countries is one leading to a standardization of their business environments to those of the EU members and regulation for enterprises protection will be possibly improved in the coming years.

6. FREEDOM IN THE WORLD

6.1. FREEDOM HOUSE’S REPORT

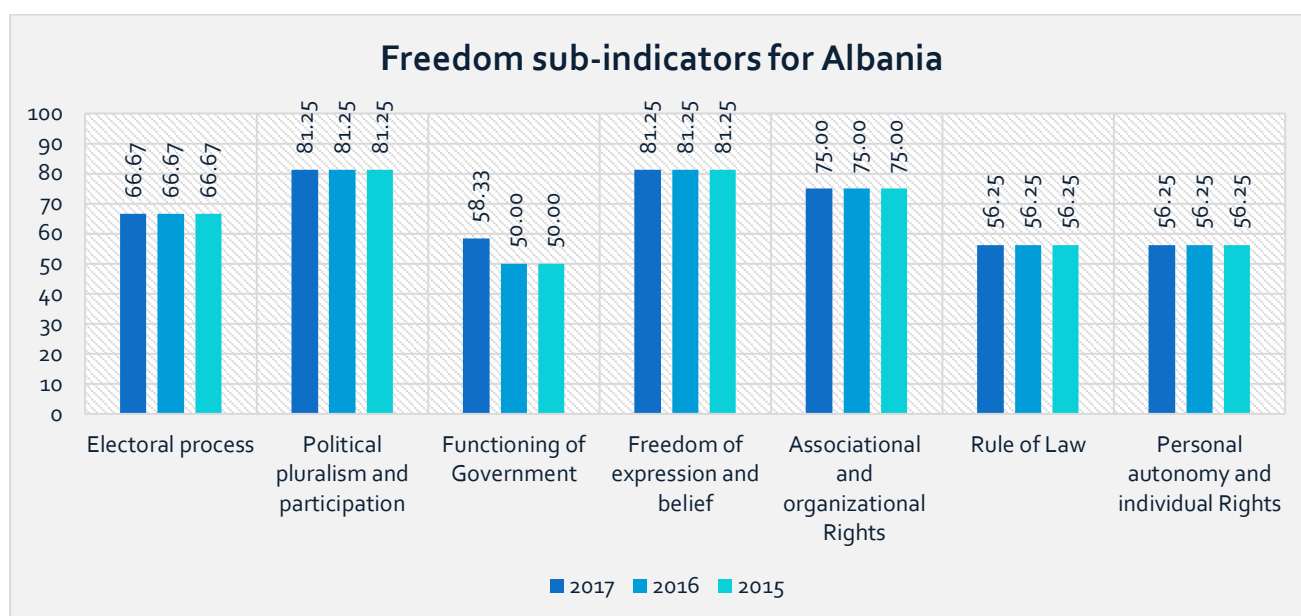
“Freedom in the World” is an annual report published by International NGO “Freedom House” which focuses on the condition of Civil Liberties and Political Rights across the world. It has been released since 1973, collecting information on a set of subjects associated to the enjoyment of Human liberties and it is the most influential source in this specific field. Freedom in the World 2018 report – year of reference 2017 – reported the 12th consecutive year of global freedom decline. This is partly connected to populism and nationalist parties surge in many democratic states. Out of a total of 195 countries assessed, 87 (45%) has been deemed Free, 59 (30%) partly Free and 49 (25%) not Free. Regions worst rated are Middle East, North Africa and Eurasia. In the coming paragraphs, we are going to discuss and compare Albania country profile with those of the other Western Balkans’ Six.

6.2. ALBANIA PROFILE IN 2018 FREEDOM IN THE WORLD

Concerning 2018 report, Albania ranked at position 68 with an aggregate score of 68/100 – 40/60 in Civil Liberties and 28/40 in Political Rights –. With regard to temporal changes, Albania has improved, since 2016 report (referring to 2015), its overall score by only 1 point (in 2016 aggregate score was 67/100), while ameliorated performances only in the sub-indicator “Functioning of Government” – from 2015 6/12 to 2017 7/12 –. Chart #12 illustrates Albania profile in Freedom in the World since 2016 report. Please note that as Freedom in the World report assesses country sub-indicators with two different – 0/12 and 0/16 – scales, we will uniform calculations using percentages based on 0/12-0/16 ratios. In conclusion, it is important to remark that despite a global decline in freedom, which is becoming a trend lately, Albania registered a slight improvement concerning its national freedom and liberties context.

Next, we are going to analyse profiles – with respective sub-indicators – of the other WB6 to better understand if the consolidation of freedom is regional or pertains only to single cases.

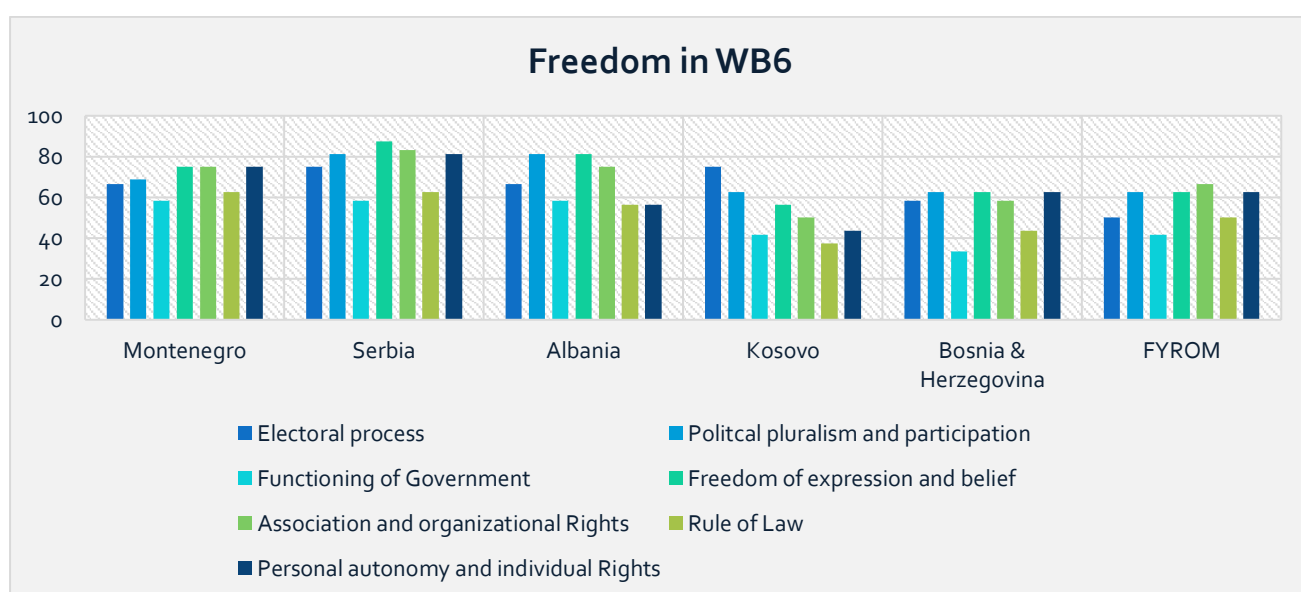
CHART 12



6.3. FREEDOM IN THE WB6

In this paragraph, we will focus on a brief comparison between WB6 profiles within the “Freedom of the World Index”. Considering we discussed Albania profile in previous paragraph, we are going to account only for the remaining countries from our cluster – referring to year 2018 report –, including in the analysis the full set of sub-indicators evaluated by Freedom House, as shown in chart #13.

CHART 13



As we can deduce from Freedom of the World report, WB6 reached, apart from some exceptions, an acceptable level concerning fundamental political, associational, self-expression freedoms and civil liberties, however we have another confirmation that there is still a profound weakness in Rule of Law and fully functional governments haven't been established yet.

7. REPORTERS SANS FRONTIÈRES WORLD PRESS FREEDOM INDEX

7.1. IMPORTANCE OF PRESS FREEDOM WITHIN DEMOCRACY

As stated by a considerable number of experts and professionals, Press Freedom and the independence of media are fundamentals for the establishment of peaceful society, firstly for the access to information for citizens, and secondly for their social and political involvement in policy processes. Access to information and the consequent involvement in decision-making of civil society is essential in generating a framework of government accountability, fight against corruption and empowerment of citizens concerning decisional and advocacy actions.

As we enter an age of massive information exposure, we must be aware that the presence of independent sources around the world is necessary for the thriving of democracies and empowered civil societies. Decision-making equilibrium between citizens and governments is what a quality information can guarantee, and therefore it is important to denounce actions designed to weaken press freedom and media independence.

7.2. THE WORLD PRESS FREEDOM INDEX

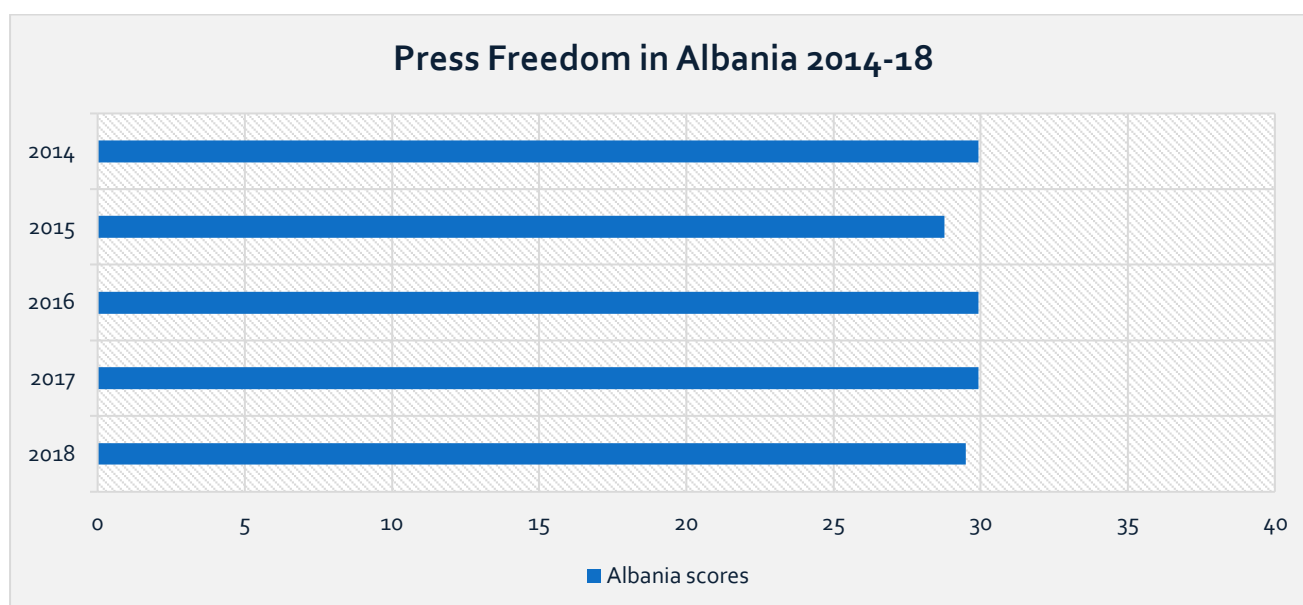
The World Press Freedom Index is an annual report published since 2002 by the Paris-based NGO "Reporters Sans Frontières". Needless to say, Press Freedom is highly connected with healthy democracies, solid Rule of Laws, respects for civil liberties and low levels of corruption. It is not by chance that weakened democracies, failed states and illiberal governments all aim at weakening press freedom and the media independence as they are capital means for civil protest and social emancipation of people.

The World Press Freedom Index measures 180 countries and respective levels of freedom enjoyed by journalists. The report does not evaluate public policies or quality of the information. The World Press Freedom Index is currently widely considered the most reliable source concerning press freedom levels across the world, and it demonstrated itself an effective tool for awareness activities as well as for lobbying. The report is compiled according to responses given by professionals and experts via a questionnaire – which include thematic questions on pluralism, media independence, censorship, transparency etc. – prepared by the Organization. The quality analysis merges in a quantity analysis based on the assessment of abuses and violent acts directed toward journalists during the evaluation period.

7.3. PRESS FREEDOM IN ALBANIA

The World Press Freedom Index assigns scores on a 0-100 scale where 0 means a completely free press and 100 a completely unfree press. According to 2018 "World Press Freedom Index" Albania ranks at position 75, with an overall score of 29.49 (gaining one position and registering a considerable improvement compared to the 29.92 of 2017). Among issues that need to be tackled, the report underlined the necessity to implement current legislation guaranteeing freedom of expression, furthermore considering that despite 1999 and 2014 laws adoption, access to state-held information is very limited and the broadcast media regulatory authority (AMA) is politicized and lacks a real independence from central government. In chart 14, we will depict Albania progresses in the report utilizing a 5-year comparison (2014-2018).

CHART 14



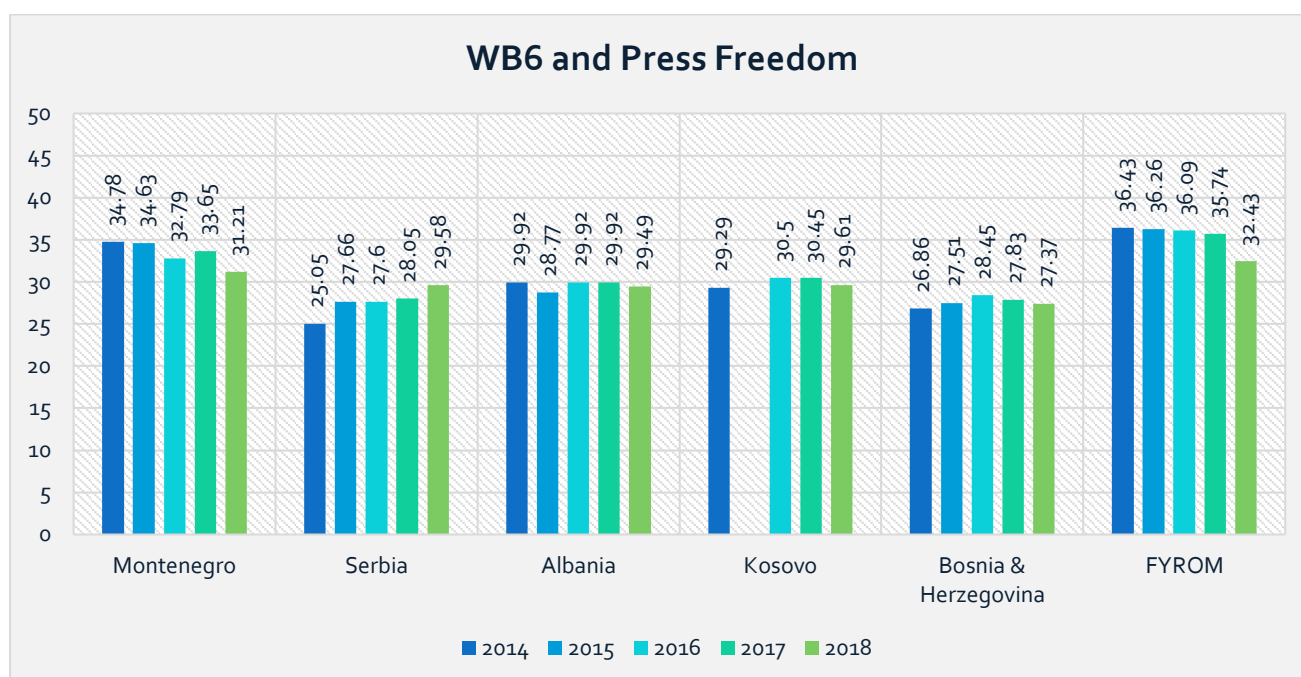
In the selected period (2014-2018), the first thing coming to light is that after an evident improvement between 2014 and 2015 – Press Freedom overall score fell from 29.92 to 28.77 –, Albania registered a worsening in the two following years (2016-2017), where Press Freedom rate rose back up to 29.92 (identical 2014 score). Independence of the media is widely regarded as the main problem and clear division between political interests and media professionals work must be pursued by Government, especially in the perspective of Albania accession in the EU.

7.4. PRESS FREEDOM IN WB6

Concerning the other countries from our cluster we can instantly notice how, at several levels, Press Freedom is an issue. The best positioned country in 2018 World Press Freedom Index is Bosnia & Herzegovina (position 62, score 27.37), followed by Serbia (position 76, score 29.58) and Kosovo (position 78, score 29.61); Montenegro (position 103, score 31.21) and FYROM (position 109, score 32.43), they both lie distant from the other WB6, registering alarming scores.

According to the report, media freedom is following a decline path across the region, however the decay is more visible in countries with a flawed Rule of Law, again correlating the importance of an effective set of rules and rights with that of independent press and media. Further efforts are demanded to WB6 for adopting and then implementing regulations for government and public officials' accountability and for limiting power abuse to render information agencies more autonomous. To disclose changes in time, in chart #15 WB6 progression in press freedom from 2014 to 2018 is depicted.

CHART 15



*Kosovo data for year 2015 not available

The chart shows us that in this 5-year period we selected for our analysis, none of the Western Balkans' Six – except FYROM – has made significant improvement regarding its media and press freedom, on the contrary, despite a slight amelioration – as it is the case of Kosovo and Montenegro –, some countries, namely Bosnia & Herzegovina and Serbia, disclosed an evident decline, with the latter highlighting worrying trends.

Press Freedom appears to be a significant issue to tackle for every of the country from our cluster, importance of which becomes clear when considering the connection with Rule of Law and the priority given to it by EU for the continuation of the accession negotiation talks.

8. CORRUPTION

8.1. CORRUPTION PERCEPTIONS INDEX

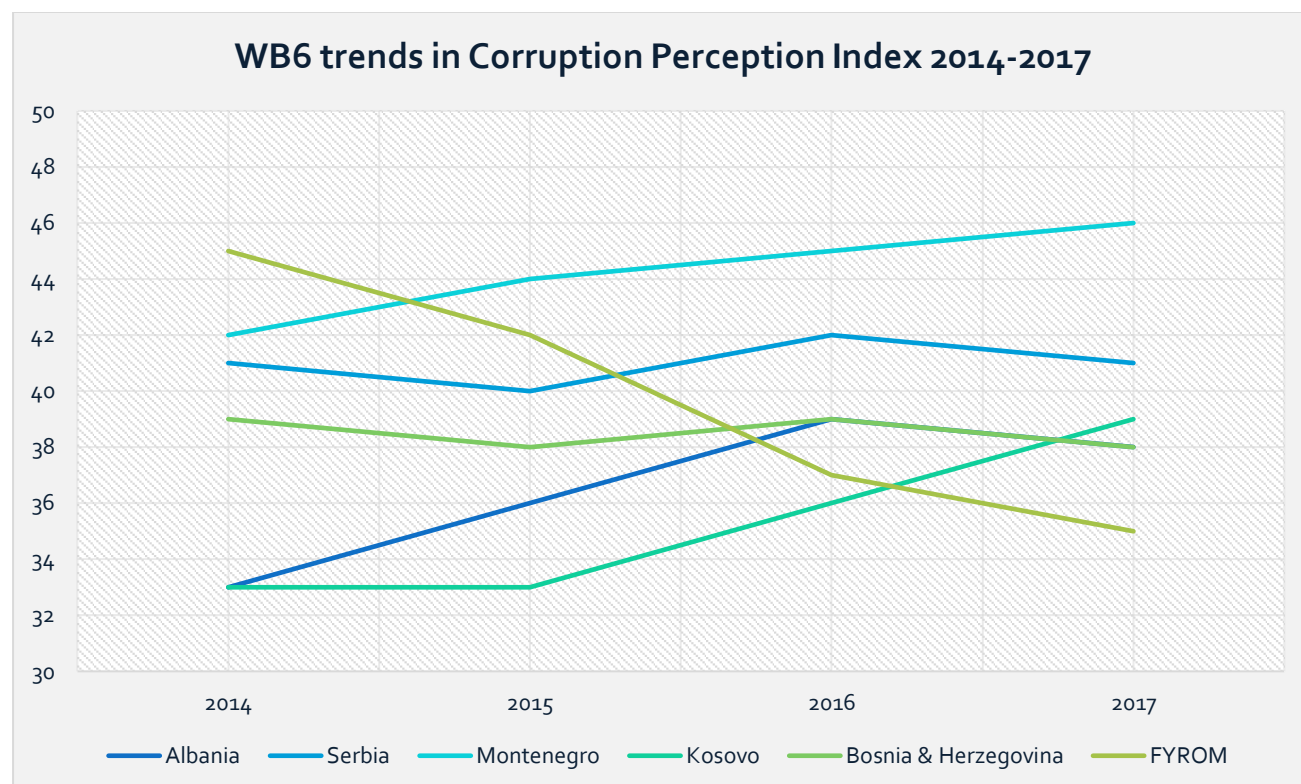
The Transparency International's 2017 Corruption Perceptions Index (CPI) analysed a total of 180 Countries and surveyed a sample of experts and businessmen and the perceived level of political corruption within their own country. Corruption is the "abuse of entrusted power for private gain", and according to Transparency International it takes shape at three different levels: (i) Grand corruption – when high level of governments distort policies in order to enable political leaders to benefit at the expense of the public good –; (ii) Petty corruption – refers to abuse by mid and low-level public officials in the execution of their functions and services to ordinary citizens –; (iii) Political corruption – which is the manipulation by political decision makers of policies, institutions and rules of procedure in the allocation of resources in order to maintain and sustain their power and status. With regard to this specific issue, the study discovered that two-thirds of the measured countries registered a score below 50 – on a 0 (highly corrupt)-100 (very clean) scale –, with an average of 43. Confronting the 2017 index with previous year's it appears that globally no improvement has been made in ending corruption.

8.2. ALBANIA AND THE OTHER WB6

As no in-depth country profile is available, we will confront only scores and positions of our cluster of interest. Even though we do not have country profiles, the Corruption Perceptions Index appears to confirm some peculiarities and weaknesses as emerged from the Rule of Law Index. The first thing coming to light is that none of the countries of our cluster reach the 50 score; this is the reason why we cannot consider any of the WB6 to be “clean” but corrupt indeed. Going into details, the best ranking country is Montenegro – which is widely considered the best positioned for EU accession –, with a score of 46 and a 64/180 rank. As if EU enlargement was mathematics, Montenegro is followed by Serbia – the other EU candidate closest to accession – which scores 41 and ranks 77th out of 180 countries.

The report confirms corruption as one of the main problem Albanian society is nowadays facing, in fact Albania registered a score of 38 and it stands at 91st position of the ranking. Identical scores are shown by Bosnia & Herzegovina, while Kosovo – with a 39 score and at 95th position – discloses a slightly worse situation. FYROM is the country worst placed (position 107) and with lowest score (35). As no in-depth analysis and comparison is possible, we are going to evaluate only WB6 trends over time, considering scores from 2014 until 2017 – as shown in chart #16 –.

CHART 16



Despite region-wide planned and ongoing reforms, the Balkans are still suffering from a corruption level not aligned with EU standards. With a new European Union strategy for the Balkans, which considers fundamental WB6 integration but at the same time – in order not to commit the same adventurous accessions of Bulgaria and Romania – poses no timeline for it, greater efforts are requested to tailor a strong anticorruption framework.

9. HUMAN TRAFFICKING

9.1. US STATE DEPARTMENT'S TRAFFICKING IN PERSONS REPORT 2018

The US State Department's Trafficking in Persons Report defines, based on the Trafficking Victims Protection Act of 2000, the trafficking of human as:

- I. Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such an act has not attained 18 years of age;
- II. The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, by force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

This peculiar illegal activity is deemed a human right violation by many international conventions and it occurs not only at local or national level, but it often assumes a transnational dimension. The Trafficking in Persons Report is edited by the US Department of State annually and it analyses issues linked to human trafficking worldwide and the improvements made at a national, regional and global level. The US Department of State highlights the nature of human trafficking as a society and Rule of Law disrupter, a social issue undermining the fundamental constituent of communities: family. Fight against Human Trafficking needs a capillary orchestration between communities, CSOs and government, with the latter holding the lion's share. The US Department of State's Trafficking in Persons Report is basically a narrative report, however a 4-tier classification – going from “fully meeting minimum standards for the elimination of trafficking” (tier 1) to “not fully meeting minimum standard and not making significant efforts for the elimination of trafficking” (tier 3) – is available for every evaluated country.

9.2. HUMAN TRAFFICKING IN ALBANIA

Albania is considered by the Trafficking in Persons Report a “tier 2” country, which means it does not fully comply with minimum standards, but it is undertaking efforts in fighting human trafficking. Experts underlined Government's accomplishments in increasing funds for victims' protection, the empowerment of a more effective system of victim identification and assistance, as well as the reactivation of mobile identification units – in partnership with NGOs –. In spite of this achievements, Albania is still facing shortcomings in different key areas, for instance: victims have been penalized for unlawful acts committed as a direct result of being subjected to human trafficking, furthermore fewer prosecutions and convictions have been reported, and authorities continued to investigate and prosecute some traffickers for the lesser crime of exploitation of prostitution. The government delayed funding to NGO-run shelters and did not consistently apply victim-centred investigations and prosecutions. Police did not consistently identify trafficking victims among individuals in prostitution, and the labour inspectorate lacked the training to identify victims of forced labour.

Article 110 (a) and 128 (b) of the Criminal Code prohibit sex and labour trafficking and prescribe penalties of 5 to a maximum of 15 years of conviction. In 2017 Police investigated a total of 69 cases with 80 suspected traffickers, meanwhile in 2016 were 69 investigations with 69 suspected traffickers. 2017 investigations were subdivided in 22 child trafficking and 58 adults trafficking suspects. Prosecutions carried by Serious Crimes Prosecutor's Office decreased in 2016 to 5 from the 18 of 2016.

A multi-disciplinary national referral mechanism (NRM) provided standard operating procedures (SOPs) for identifying and referring victims to services. The government, with the support of NGOs, reactivated mobile identification units in three regions, but the unit's sustainability was uncertain due to a lack of permanent staff, formalization, and resources; mobile identification units identified 26 potential victims. Additionally, the government referred 60 potential victims, civil society referred 16, and three self-identified.

Recommendations for the county are: to implement existing laws exempting victims from being prosecuted for criminal conducts committed during trafficking episodes; to train judges, public officials and police officers in victims' identification; allocate adequate funding and resources on a consistent and regular basis to the government-run and NGO-run shelters for trafficking victims; improve the sustainability of mobile identification units; train police, labor inspectors and other officials with regard to proactive identification of victims.

9.3. HUMAN TRAFFICKING IN THE WB6

According to the report, human trafficking is an issue affecting not only Albania – we must note that even the most developed countries find obstacles in fighting it (for example Ireland and Iceland are tier 2-countries) –. Balkan states share a common history of cultural heritage, dominions, conflicts, recent independences and ethnic coexistence, the reasons why they currently face similar socio-economic problems and they are striving with similar hardships to seal their path towards democracy, and human trafficking issue makes no exception. Balkan countries position themselves between "tier 2" and "tier 2 WL" classification. *Tier 2 WL (watch list) countries are those that have not shown increasing efforts in tackling human trafficking compared to previous years' reports and thus, no progress evidence is detectable.* In Trafficking in Persons report, the countries disclosing worst performances are Montenegro and Bosnia & Herzegovina – they both are categorized as tier-2 WL countries –.

As regards Montenegro, Trafficking in Persons report stressed important shortcomings on the effective actuation of traffickers' prosecution activities and not a single conviction under national laws against trafficking has been ruled. Nonetheless, Montenegro increased its efforts in raising population awareness running important awareness campaigns in coordination with NGOs. According to the study, Serbia faced similar impediments, but the efforts of the government made it possible to pass from the 2017 tier-2 WL classification to the 2018 tier-2. The country, despite having adopted a comprehensive national action plan (with a budget of 8 million dinars), consolidated an effective jurisdiction on human trafficking and created a stand-alone office of the National Coordinator, is still lacking an efficient national referral mechanism as well as formal victims' identification procedures.

Bosnia & Herzegovina has been downgraded from tier-2 to tier-2 WL. According to the US State Department, the country did not demonstrate increasing efforts in fighting trafficking in persons. Inadequate victims' identification mechanism, ineffective victims' protection and access to assistance, penalization of victims for acts committed as a direct result of trafficking episodes, caused the country to be downgraded.

Kosovo (tier 2) has been praised for its law enforcement, the issue of a guidance for proactive victims' identification and the level of collaboration with Labour Inspectorate, prosecutors and social workers for human trafficking investigations.

The Government established a committee to review claims and financed a crime compensation fund. Still, Kosovo did not meet minimum standards in some areas, particularly when it comes to sentences, which too often appear to be downgraded to lower crimes by judges and prosecutors.

The last country analysed from the Trafficking in Persons report is FYROM (tier 2). According to the report, in recent years, FYROM clearly improved training of first responders on victim identification, established an anti-trafficking task force and local anti-trafficking action plans in coordination with local authorities. FYROM, as in the case of Kosovo, does not meet minimum standards when it comes to law enforcement and judiciary sentences – too often weakened by judges and prosecutors –, furthermore a decrease in funding for victim protection and anti-trafficking NGOs has been registered.

10. INCLUSIVE GROWTH

10.1. WORLD ECONOMIC FORUM "INCLUSIVE GROWTH & DEVELOPMENT REPORT"

Inclusive Growth is the concept based on the idea that economic growth cycles reach their long-term sustainability when equitable opportunities are guaranteed for every single socioeconomic component and population segment. Inclusive growth aim is to reduce gender gap, pay gap, food waste, environmental impact of humanity, social inequalities and food insecurity. It is a concept which goes side to side with that of sustainable growth and finds its final purpose in creating a society where human footprint becomes sustainable and access to fundamental needs and services is universally assured, paving the way for poverty eradication, better income distribution and living standards. The Inclusive Growth and Development Report is designed by World Economic Forum (hereafter WEF) and conceived as a working tool for policymakers and professionals with the purpose to give shape to the concept of inclusive growth, which is nowadays missing of a real strategy or global regulatory framework.

Inclusive growth earned a strong position in political debate, however talks on how render it effective are at an early stage. Inclusive growth is gaining reputation as a reliable economic indicator amongst economists and experts to the detriment of the measuring standard currently used, GDP growth, which unlikely inclusive growth doesn't account for the level of long-term sustainability, economic inclusiveness and accessibility of the most vulnerable segments of the world population.

The WEF Inclusive Growth and Development Report grounds its analysis on a set of specific policy and institutional pillars¹¹ for the measurement of the level of socioeconomic inclusiveness of the countries evaluated. In addition, the report appraises a cluster of "National Key Performance Indicators", which are: Growth and Development (divided into the sub-indicators: GDP per capita, employment, labour productivity, healthy life expectancy); Inclusion (median household income, poverty rate, income Gini, wealth Gini); Intergenerational Equity and Sustainability (adjusted net savings, public debt, dependency ratio, carbon intensity of GDP).

10.2. INCLUSIVE GROWTH IN ALBANIA AND THE WB6

We could argue that a country with a 29% Gini (year 2012) is on the right path to eliminate income inequalities and that the WEF report would confirm this hypothesis. However, despite the encouraging results from the Gini index we will see that Albania is still striving in ensuring its growth to be inclusive. According to the 2017 Inclusive Development Index (IDI)¹² Albania totalled a score of 4.02 – on a 0 (least inclusive)-7 (most inclusive) scale – and registered a 5-year negative trend. It must be noted that countries evaluated in the report are divided in 2 different income clusters – advanced economies and developing economies – which are appraised with different measurement standards, for this reason a scores of advanced economies cannot be compared with those from developing countries.

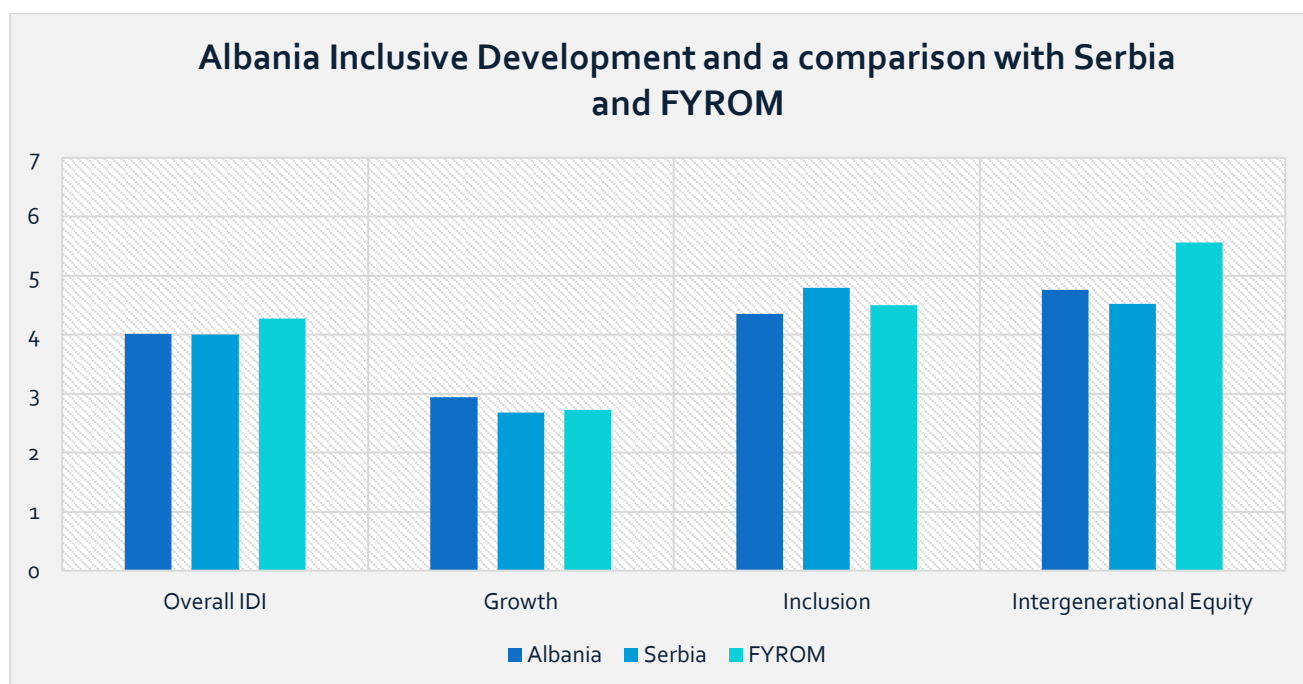
In chart #17 we are going to depict in addition to Albania overall IDI score, its results from the main Inclusive Development Indicators in order to draw a complete picture on the current situation of inclusive growth in the country. As no profiles or scores are available for Montenegro, Kosovo and Bosnia & Herzegovina we are not going to make an in-depth analysis of the WB6 inclusive growth levels. However, to

¹¹ WEF Inclusive Growth Pillars: I. Education and Skills; II. Basic Services and Infrastructure; III. Corruption and Rents; IV. Financial Intermediation of Real Economy Investments; V. Asset Building and Entrepreneurship; VI. Employment and Labor Compensation; VII. Fiscal Transfer.

¹² The Inclusive Development Index provides composite scores and overall ranking of the countries evaluated. The absolute ranking describes countries' level of inclusive development and it is backed up with trend ranking providing average score changes for the last 5 years.

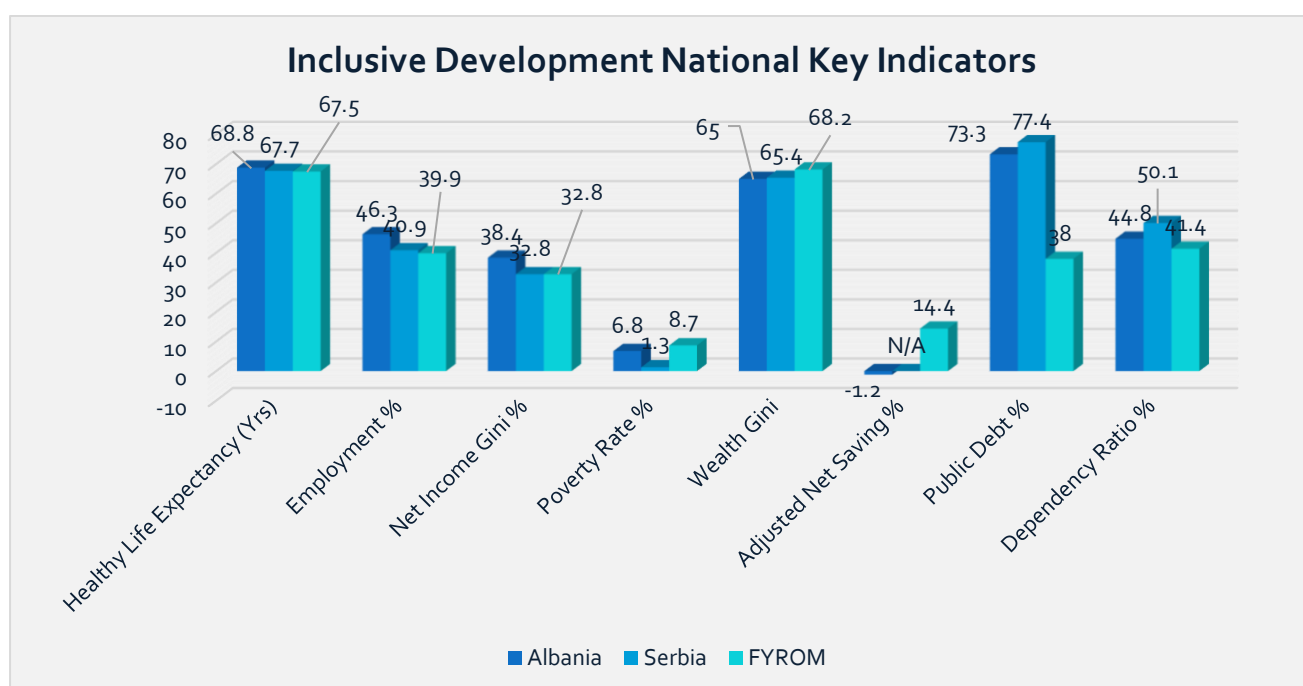
facilitate a comparison and to give a dimension to the inclusive growth in the Balkans, we will include in #chart 18 scores and results for Serbia and FYROM.

CHART 17



Among the developing countries evaluated (79), out of our cluster of interest, FYROM is the best ranked (position 24), followed by Albania at position 38 and Serbia ranking 42nd. If we look at a bunch of selected national key indicators (chart #18) we can notice that FYROM, Albania and Serbia show similar scores and share a few common issues like the low employment rate.

CHART 18



*Adjusted net savings for Serbia is not available.

11. GENDER PARITY

11.1. THE GLOBAL GENDER GAP REPORT

Equal access to education, healthcare, labour market, decision-making positions and social life for women across the world is becoming one of the main targets set by global policies and it is demonstrated that countries inclined towards gender equity boost respective socioeconomic performances and ensure a more peaceful and tolerant society. Recently an important debate has thrived demanding effective national policies as well as international dialogue to guarantee equal access to education, job position, wages and an increased women presence and engagement in politics. Too often we underestimate the social importance assumed by women in the making of justice-based societies and it is not coincidence that according to several studies women presence in the decision-making process coincides with higher level of peace.

As reported by a Council on Foreign Relations research, when women are included in conflicts resolution or prevention processes the resulting agreement is 35% more likely to last at least 15 years and higher levels of gender equality are associated with lower propensity to conflict both between and within countries. The gender parity goal is a long-term objective that needs the empowerment of women both at local and transnational level, it is a bottom-up and also a top-down process and it proved itself necessary for succeeding in shaping an equal and peaceful global society.

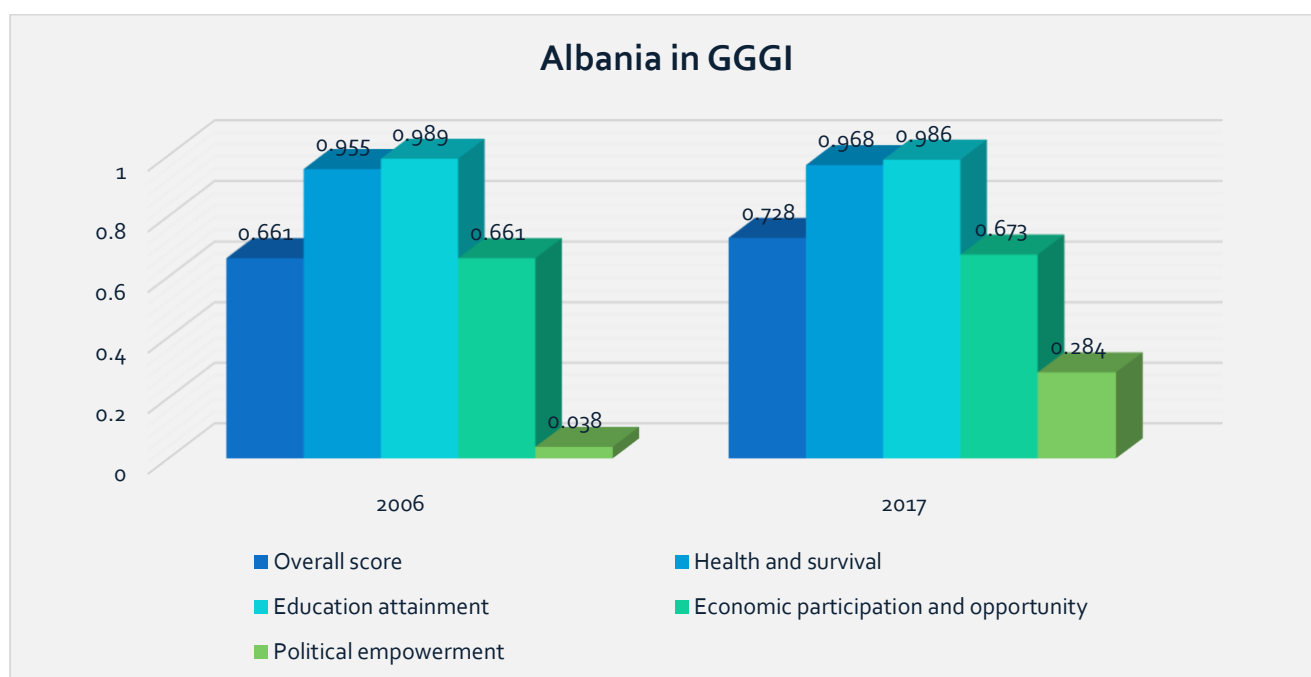
This study is carried by the World Economic Forum to assess level of gender parity all over the world. The report examines several countries and nations to detect gender gap progresses in different socioeconomic fragments as education, employment or income. The 2017 GGGR (Global Gender Gap Report) highlighted a slight deterioration of progress in ending gender gap across the globe, however there are examples of different countries approaching gender equity. The Global Gender Index presented in the report tries to represent differences and gaps between men and women in four key areas: Health and survival, Education attainment, Economic participation and opportunity and Political empowerment. The report doesn't candidate itself to be a policy reference for governments, still it can be used to understand issues connected to gender inequality, what kind of measures are adequate to address the problem and which countries are acting properly in reaching gender parity.

11.2. ALBANIA IN THE GENDER GAP INDEX

The index assigned scores range from 0 (imparity) up to 1 (parity). According to the 2017 report Albania totalled an overall and surprising 0.728 score, ranking at position 38 – out of 144 –. Even more impressive is the progresses made by the country since the first Global Gender Gap Report has been published in 2006.

For what concerns the single key areas appraised by the study, "Political empowerment" is the area where Albania registered highest performances, registering a score of 0.284 and ranking at position 31 –. It must be noted that Political empowerment is the area, among the four evaluated, where major issues are encountered, it is not by chance that scores, even for the best performing countries, are very low compared to the rest of the key areas. In chart #19 we are going to portray Albania's scores in the four key areas and compare them with those from the 2006 report.

CHART 19



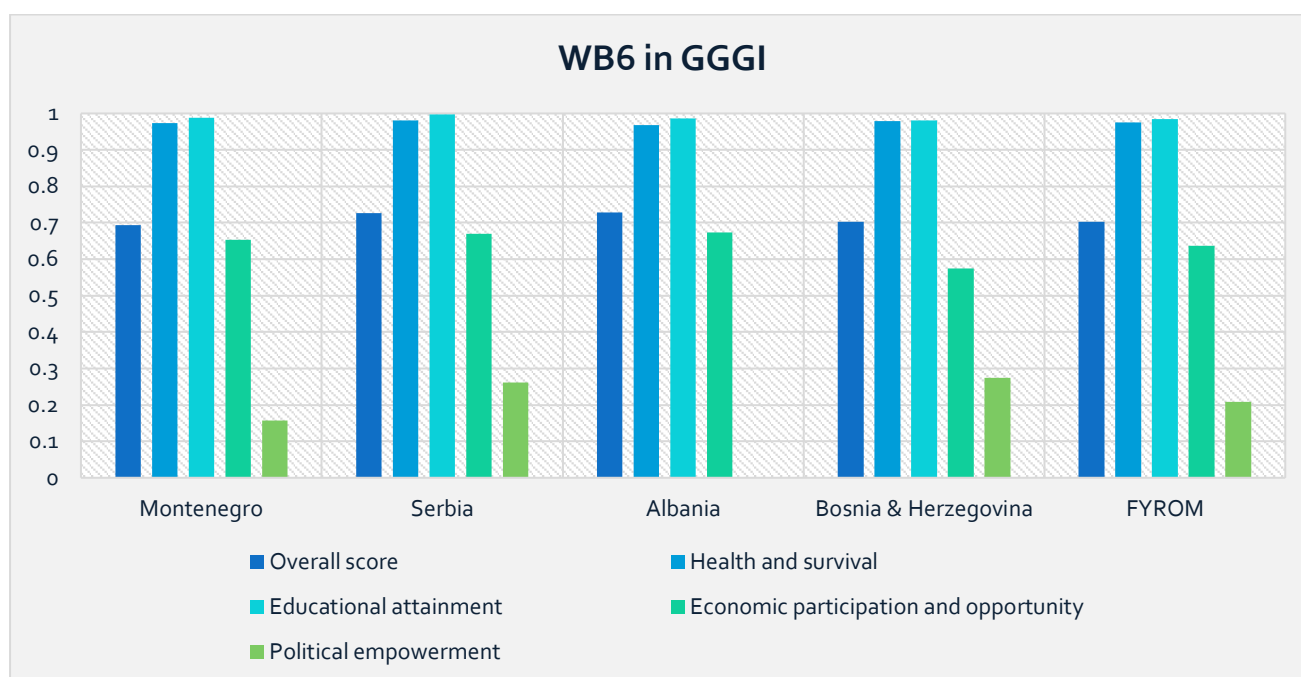
As we can excerpt from the chart, Albania progresses in fighting gender gap are relevant, nonetheless there are a few key areas that underwent a deterioration rather than an improvement. In "Education attainment" a score worsening has been registered. On the contrary, impressive improvement has been registered in Political empowerment. The overall 2017 score draws a country which likely undertook effective and promising measures in reaching gender parity.

11.3. GENDER GAP IN THE WB6

We have seen that Albania, despite some slight disbalances in a few key areas, could be regarded as a virtuous country when it comes to gender parity, not only in the Balkans region. Question arose is: can we make the same reasoning for the other WB6? Unfortunately, as no score or profile is available, we must exclude Kosovo from the analysis.

Firstly, the report reveals that the best performing country from our cluster is Albania, followed closely by Serbia at position 40 (score 0.727). Bosnia & Herzegovina (0.702), FYROM (0.702) and Montenegro (0.693) are grouped together at position 66, 67 and 77 respectively. Chart #20 represents performances of the countries in the 4 key areas evaluated by the report and serves us to detect sensible differences between the WB6.

CHART 20



What we extract from chart #20 is the confirmation of a homogeneous gender gap situation of the WB6. However, we can find a few interesting data which could suggest us to deepen the analysis. For instance, it is interesting to observe that Montenegro in “Political empowerment” registered an alarming performance totalling a poor 0.157 score or that Bosnia & Herzegovina in “Economic participation and opportunity” stands at position 116 – we remind, out of 144 countries –. Furthermore, the general picture for the WB6 proves us that Political empowerment of women is the key area where major gaps exist, confirming gender exclusion from political life and decision making as a global trend.

12. CLIMATE CHANGE

12.1. THE NOTRE DAME GLOBAL ADAPTATION INITIATIVE

The Global Adaption Initiative (ND-GAIN), launched by the University of Notre Dame (Indiana, USA) is a research effort designed to enhance the world understanding of the concept of adaptation to climate change. The adaptation examined by the initiative follows two main paths: I. Risk mitigation (vulnerability); II. Opportunities exploration (readiness). The ND-GAIN Country Index find its purpose in spreading a new platform for the enablement of leaders and civil society actors to make effective decision based on solid facts and information about environment and economic and social aspects revolving around it. According to the research carried by the University of Notre Dame, least developed countries have 10 times more chance of being affected by intensive climate events and that will take more than 100 years to level resilience system of these countries to that of the developed ones.

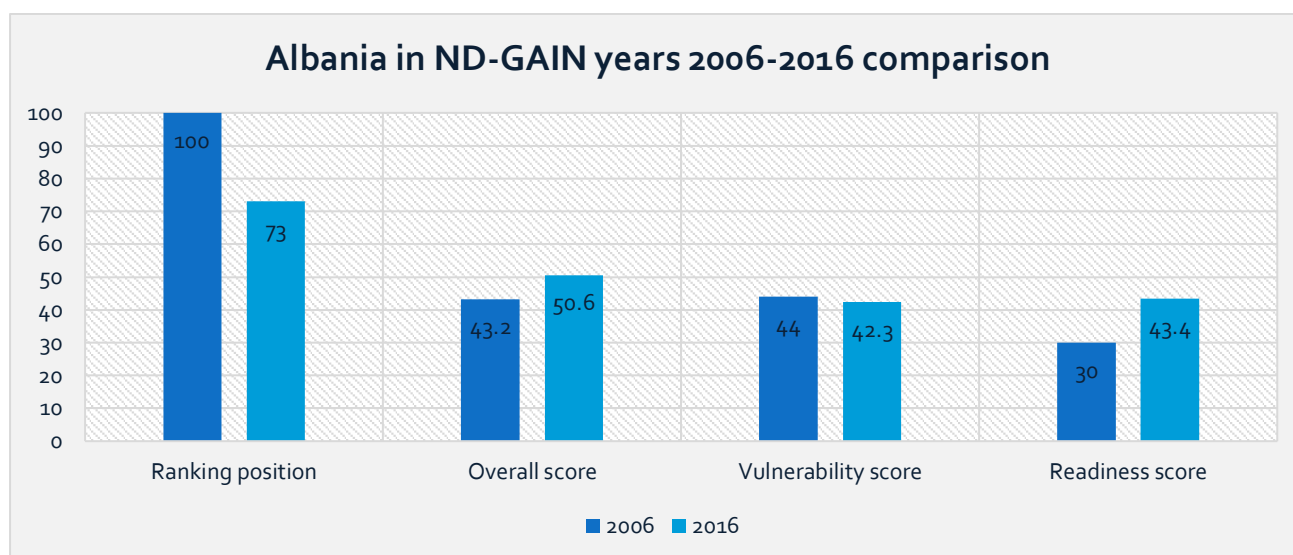
The Notre Dame Global Adaptation Country Index is designed to aid governments and communities in developing proper policies to tackle climate change-related events. The country index uses 20 years of available data among a total of 45 indicators and ranks 181 countries. Assigned scores range from 0 (least likely to adapt) to 100 (most likely to adapt) while indicators fall under 2 main subjects – Vulnerability and

Readiness – and 9 sectors – Food; Water; Health; Ecosystem service; Human habitat; Infrastructure; Economic; Governance; Social readiness – in turn divided into the above-mentioned 45 sub-indicators. Sub-indicators are calculated on a 0-1 scale. While 0 represents the best score possible under “Vulnerability”-related indicators, 1 represents the maximum result for “Readiness”-related indicators.

12.2. ALBANIA IN THE ND-GAIN COUNTRY INDEX

According to the 2017 ND-GAIN Country Index Albania ranks at position 73 with a 50.6 score. Though a slight deterioration has been registered both in Vulnerability and Readiness in the last years – this caused Albania to fall from 2015 position 70 to the current position –, if we evaluate the last decade (as shown in chart #21) we can clearly comprehend the massive progress made by the country in adapting to climate change. As we anticipate that scores are adapted to a 0-100 scale, we remember that calculation method for Vulnerability is opposite to that of Readiness.

CHART 21



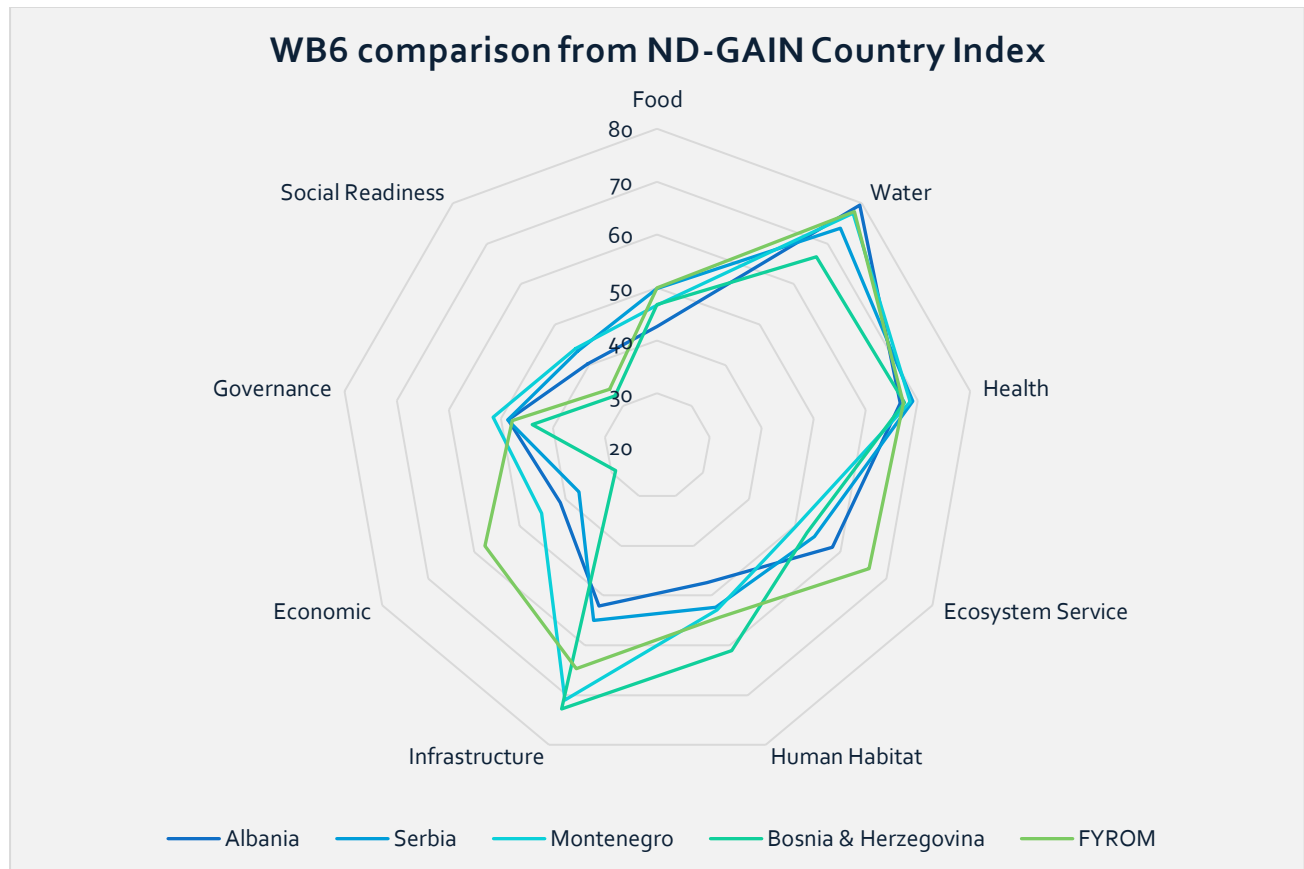
Likewise, the Notre Dame Global Adaptation Country Index suggests, Albania clearly improved the overall and the “Readiness” score, nonetheless, the improvement in the Vulnerability sector has been nearly unperceivable. Concerning the subjects in which Vulnerability and Readiness are disaggregated, Albania registered improvement in every macro-indicator.

12.3. WB6 AND ND-GAIN INDEX

Albania made significant improvements of its adaptability to climate change and natural events, but can the same be told for the other countries from our cluster? Firstly, we must state that likewise Albania, WB6 countries – except for Kosovo that is not evaluated by ND-GAIN – registered an overall improvement, if the decade 2006-2016 is considered, nonetheless, in the last 3 years a deterioration of the score occurred in any of the Balkan countries analysed by this report. We have no confirmation of the roots of this event, however we could argue that the worsening of climate conditions in recent years could have been caused many nations to lose some adaptability features. Concerning the ranking, the best positioned country is FYROM – at position 53 –, followed by Montenegro – position 57 –, Serbia – 70th –, Albania – 73rd –, Bosnia & Herzegovina, at position 87, is the worst ranking country.

Regarding “Vulnerability” and “Readiness” indicators, in chart #22 we are going to analyse score from the WB6. Please note that, depending on the specific indicator, different measuring standards are used, thus we are going to adapt scores and unify measurements.

CHART 22



WB6 generally exhibit poor scores concerning subjects as social readiness and governance, this does not surprise us as amongst the Acquis chapters where Balkan countries are facing major problems are those connected to environmental issues. WB6, despite some progresses, are still missing a proper framework to set an effective mechanism for social and economic adaptation to the risk brought by ongoing climate change. Civil society awareness is fundamental in achieving such a target and further efforts are requested to spread a culture of environmental sustainability.

13. FOOD SECURITY AND NUTRITION

13.1. FAO'S THE STATE OF FOOD SECURITY AND NUTRITION IN THE WORLD 2017

The State of Food Security and Nutrition in the World is an annual study carried by FAO to assess, consistent with the UN 2030 Agenda for sustainable development, global food security and the success achieved in fighting hunger across the world. The aim of the United Nation is to end hunger in world countries by year 2030. Food security is a chain involving three main pillars: (i) Food availability, (ii) Food access and (iii) Food utilization.

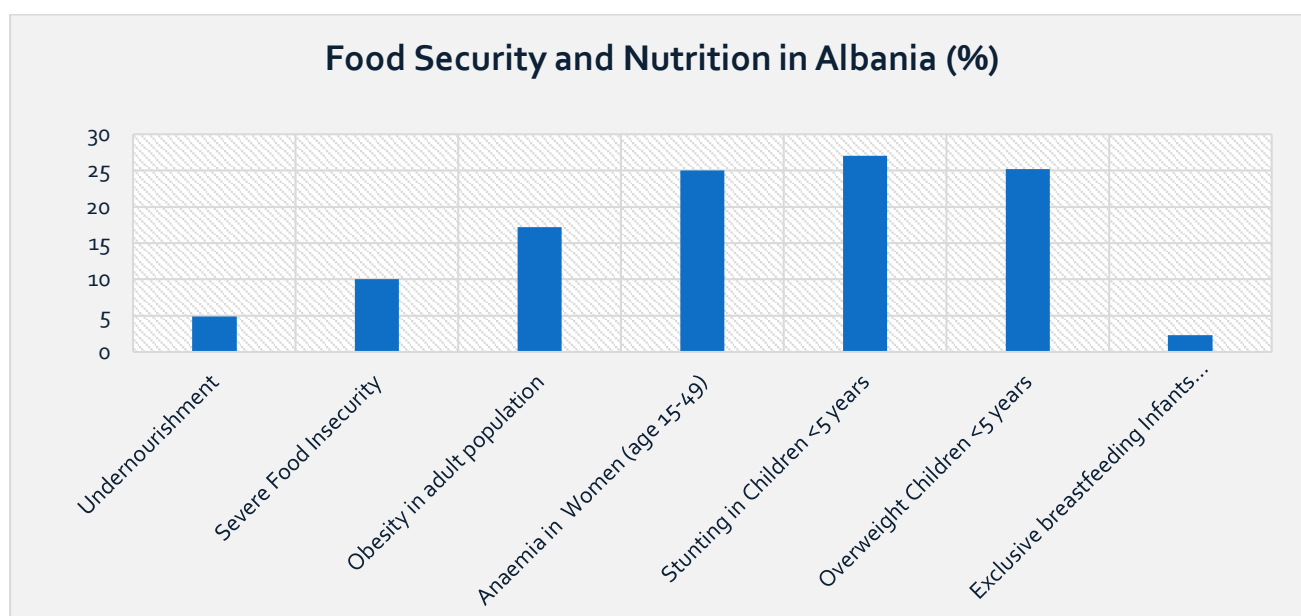
Unfortunately, in 2016, FAO registered a surge in the number of chronically undernourished people – 815 million, up from the 777 million observed in 2015 –, fact that could be induced by an increase in conflict and climate-related episodes, particularly in Asia and Africa – specifically Sub-Saharan Africa, South-Eastern and Western Asia –. It is not by chance that regions affected by high rate of undernourishment are those less resilient to climate change and/or peace-deprived. Climate change is doing its part in this process of food security disruption.

Extreme climatic events are causing some regions of the world to lose their principal resources for agriculture and food production. The increased intensity of disasters, such as drought and flood, can provoke the destruction of crops, fields and dedicated infrastructure, therefore in the forthcoming decades it is fundamental to tackle hunger as well as to improve countries' preparedness to climate-related phenomena.

13.2. STATE OF FOOD SECURITY AND NUTRITION IN ALBANIA

In Albania, the percentage of undernourishment in the population decreased from a 11.1% in year 2006 to a 4.9% in years 2014-2016. Despite this important improvement in food securing the population, Albania still has one of the highest levels of undernourishment in Europe. In fact, the only country presenting worse conditions than Albania is Moldova, with an 8.2% of undernourishment in the population. Next, in chart #23 we are going to present all the available indicators for Albania covered by the 2017 "State of Food Security and Nutrition in the World".

CHART 23



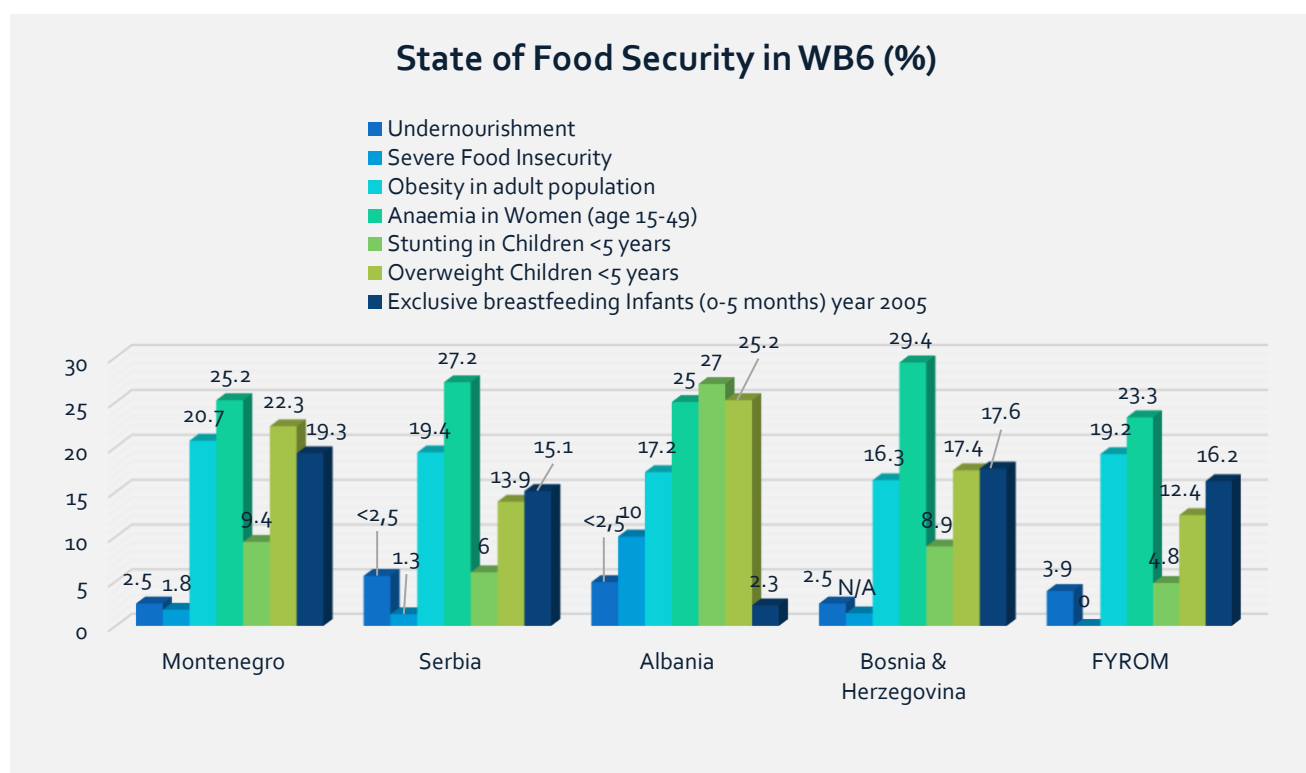
Please note most recent data are: for “Anaemia incidence in Women” year 2016, for “Undernourishment in total population” and “Prevalence of severe Food insecurity in total population” years 2014-2016, for “Prevalence of stunting in children”, “Prevalence of overweight in children” and “Prevalence of exclusive breastfeeding” year 2005. From the chart and the indicators assessed in the report, we can extrapolate a few interesting and alarming numbers. Prior we have briefly discussed about the undernourishment rate. In addition, Albania presents a prevalence of severe food insecurity rate (10%) well above any other European country evaluated by the report – i.e. UK and Portugal which are the next worst performing countries registered a 4.2% and a 4.1% prevalence –. A further indicator of concern, even if outdated (2005) is the stunting in age under 5 children prevalence. We can comprehend how Albania percentage is quite high (27%) compared to that of other low performing countries – e.g. Romania and Bosnia & Herzegovina in 2005 registered a prevalence of stunting of 12.8 and 11.8 respectively –.

In conclusion, Albania is a country where poverty incidence and consequently food insecurity and undernourishment prevalence is still too high and if we link this reasoning to the fact that the country is agriculture-centered and at the same time is one of the most vulnerable European countries to harsh climate events, we can easily argue about the necessity of effective policy for poverty eradication, environmental sustainability and climate change readiness.

13.3. FOOD SECURITY AND NUTRITION IN THE WB6

We have seen how Albania shows undernourishment and nutrition indicators below what we could consider acceptable standards for a European country, and not going into details we have tried to find the roots in a system where agriculture is still the main economic booster, yet a productivity vehicle highly exposed to climate disruptive changes and on which families and communities strongly depend for the fulfilment of their livelihood and nutrition basic needs. Considering that the majority of the WB6 countries share a similar economic system where secondary and tertiary sector is still underdeveloped, we could hypothesize that analyzing FAO’s report we will find a few analogous food security level and indicators. In chart #24 values for the set of indicators used to evaluate Albania are shown for WB6.

CHART 24



WB6 countries disclosed a few indicators which deserve our attention. For example, with regard to “Undernourishment prevalence in the population”, Serbia and FYROM, likewise Albania, show an incidence well above European standard – every European country evaluated except for Moldova and Slovakia registered an undernourishment prevalence of <2.5% –, on the contrary Montenegro and Bosnia & Herzegovina are in line with European levels; again, concerning the “Prevalence of stunting in children”, WB6 countries exhibit values in line with countries like Moldova (6.4%) rather than European standard, however in this case, the only data available and touchstone for a high income country is the 2005 indicator for Germany (1.3%).

Concluding, WB6 displayed a few flaws in their states of food security, nonetheless, out from our cluster of interest, Albania proved to be the worst performing country, leading us to believe that among Albanian society most impellent issues, food accessibility and food availability hold a prominent position.

CONCLUSION

'Albania in the eyes of the world' is a report intended to be a useful guide within the social, political and economic contexts of Albania and WB6, giving the incentive to find interest in the reports we have analyzed and continue with further research about the subjects and the countries we have covered.

In sum, it seems that Albania and its neighbors are currently challenged by various issues in subjects such as rule of law, corruption, press freedom and civil liberties, climate resilience, etc.; therefore, it is just to say that a few socioeconomic disbalances persist. Achievements in these type of sectors – rule of law, justice, freedom and fundamental rights respect, well-functioning of government and fight against corruption – will be fundamental for these countries as these are the most essential requirements for EU accession – it is not by case that the European Commission staff, in its "communication on EU enlargement policy" documents, dedicated specific analyses to these subjects –. However, despite these challenging objectives, Albania and the other WB6 have shown they started embedding into their sociopolitical system the proper mechanism to reach acceptable achievements in fields such as gender gap and peacefulness level.

We must keep in mind that these are countries whose democracies are relatively new, nonetheless the path they undertook, which lead to transboundary cooperation – resulting in resolution of geopolitical diatribes – and collaboration with European institutions, international organizations and governments – with consequent massive investments in infrastructural, transport, free movement of goods and capital and social policies among other – could supposedly bring to the leveling of their overall standards to those of a fully-functioning democracy.



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