

Key findings in progress report 2008 Albania

Political criteria

Albania has continued to make progress on consolidating democracy and the rule of law. Key judicial and electoral reforms have made headway, based on cross-party consensus. Efforts to strengthen the rule of law have intensified. Albania has continued to play a constructive role in maintaining regional stability and fostering good relations with other Western Balkan and neighbouring EU countries.

However, the culture of dialogue between political parties and the independence of state institutions require further consolidation to allow the political system to function effectively. Despite improved public perception, corruption continues to be a particularly serious problem, as does organised crime. Specific attention is needed to continue judicial reform.

Economic criteria

The Albanian economy made further progress towards becoming a functioning market economy.

Albania fast economic growth was accompanied by a widening trade gap, which is weakening country's external financing position. Albania was successful in containing inflation.

The fiscal policy was loosened as the country started to invest more in infrastructure. This was accompanied by progress in privatisation and in improvements in business environment. Restructuring and privatisation in the energy sector were not accomplished and insecure energy supply continues to significantly hamper the economic development. Further considerable reforms need to be pursued in order to enable the economy to cope with competitive pressures and market forces with the union over the long term.

European standards

Albania has made progress in aligning its legislation, policies and capacity with European standards. It now needs to enhance its efforts in the implementation of these laws and policies. In areas such as customs, competition, free movement of goods and audiovisual policy, progress made in previous years has been sustained.

However, in other areas, such as energy, transport, public procurement, veterinary/ phytosanitary controls and intellectual property rights, progress remained limited. Improved results as regards the fight against organised crime, drug trafficking and money laundering are also necessary.