

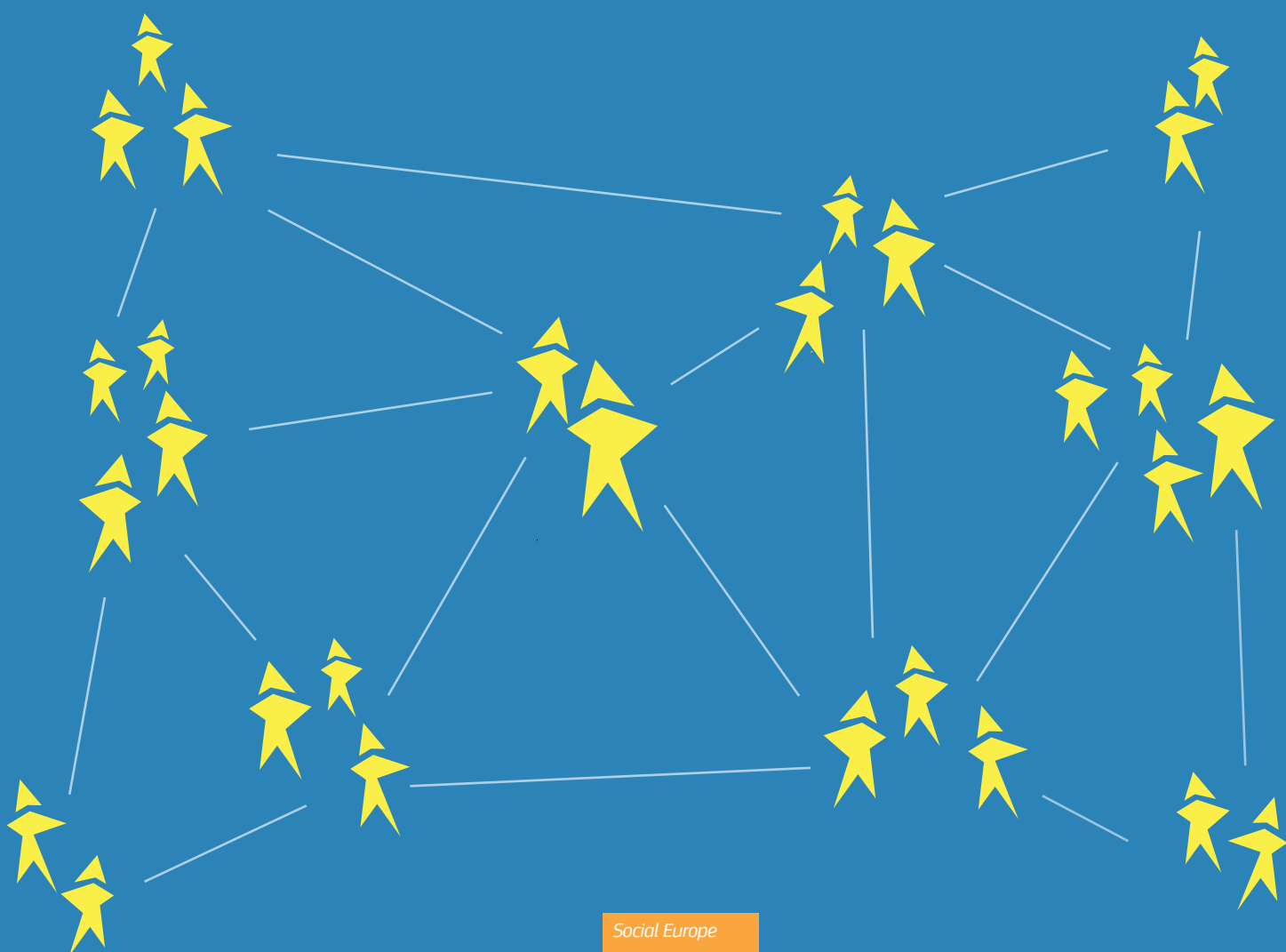


EUROPEAN SOCIAL POLICY NETWORK (ESPN)

# Access to social protection for young people

## Albania

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Social Europe

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**ESPN Thematic Report:  
Access to social protection for  
young people**

**Albania**

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## SUMMARY

This ESPN Thematic Report focuses on young people (defined as people aged 15-29) and their access to social protection, limited to five categories of benefits which are contributory and/or non-contributory: unemployment benefits; maternity/paternity/parental (cash) benefits; sickness and healthcare benefits; housing benefits; and guaranteed minimum income schemes.

The social protection system in Albania is generally fragmented, both in terms of coverage and in terms of institutional responsibilities, rendering access to unemployment, health, sickness, parental, and housing benefits rather burdensome. An analysis of institutional frameworks governing the different schemes, and their characteristics in terms of entitlement conditions, indicates that strict eligibility criteria, limited coherence between the different schemes, limited inter-institutional co-ordination, and cumbersome administrative procedures act as barriers to access for all potential beneficiaries – particularly young people, who often have a weak attachment to the labour market.

In Albania, the unemployment benefit is a flat-rate benefit unrelated to previous earnings, currently set at 50% of the gross minimum wage and granted for a limited duration (3-12 months) to those who have paid social contributions for at least 12 months since the last time they received such benefits (if ever). The coverage of unemployment benefit is very low (approximately 4.5% of all registered unemployed job-seekers), largely due to its contributory nature and strict eligibility criteria, as well as the exclusion of the self-employed. Whereas no legal barriers exist for young people in accessing unemployment benefits, the high level of informality and self-employment, coupled with a challenging school-to-work transition, has led to very little protection afforded to this group.

Sickness benefits and healthcare benefits are both contributory schemes regulated by different laws. Whereas eligibility criteria for sickness benefits are stringent and only young people in employment or self-employment can access the scheme, the eligibility criteria for the healthcare scheme are more favourable and ease access for several categories of young people such as students, registered job-seekers, and those on social assistance benefits. For maternity, paternity, and parental benefits there is only one contributory scheme, which is part of social insurance. This scheme has tight eligibility criteria and can be accessed only by young people in employment or self-employment who pay social insurance contributions.

The only minimum-income scheme in Albania is the social assistance scheme. Young people aged 15-29 benefit from the minimum-income scheme as members of households in need (selected through an assessment system) or if they belong to one of the eligible categories (children in foster care, orphans outside of institutions, and victims of trafficking). There is no activity status requirement. The scheme is based on a proxy means-testing assessment, and households and individuals are eligible for benefits even if they have some sources of income. The European Commission's assessment of Albania's economic reform programme (ERP) identified the low effectiveness of social transfers in reducing poverty, the modest size of social assistance benefits, and the scarcity of social care services (in particular for vulnerable people) (European Commission, 2021).

By law, adults aged 18 and over are eligible to benefit from social housing programmes. Young people falling into any of the eligible categories (as specified above for the minimum income) can apply for social housing. Age is of particular importance for those applying as orphans, young couples and minors in conflict with the law, and victims of trafficking. There is no specific activity requirement. The programmes are targeted at low-income households and vulnerable groups as well as middle-income households that are active in the labour market and need further support. Young people are under-represented in social housing programmes and represent only 1% of the total beneficiaries across programmes. Moreover, they face significant affordability challenges in accessing the housing market, especially those residing in urban areas or in the capital. A lack of proper healthcare services, as well as limited social protection, are important push factors encouraging young Albanian people and families to apply for asylum in EU countries.

# 1 KEY FIGURES ON THE SOCIO-ECONOMIC SITUATION OF YOUNG PEOPLE<sup>1</sup>

## 1.1 Distribution of young people (aged 15-29) by main activity status

**Table 1a: Main activity status of people aged 15-29 and 30-64 (2015-2020, EU-27 and Albania, % 15-29 and 30-64)**

	ALBANIA											
	15-29						30-64					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
EMPLOYMENT RATE*	29.8	32.4	33.8	38.5	41.2	41.2	65.2	67.2	68.7	71.0	71.9	70.7
UNEMPLOYMENT***	33.2	29.0	25.9	23.2	21.5	21.0	12.5	11.8	10.8	9.2	8.7	9.2
INACTIVITY****	55.5	54.4	54.5	49.9	47.5	48.0	25.5	23.9	23.0	21.9	21.4	22.2
	EU-27											
	15-29						30-64					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
EMPLOYMENT RATE*	45	45.9	46.9	47.7	48.2	46.1	71.4	72.4	73.5	74.5	75.3	74.9
UNEMPLOYMENT***	17.3	15.8	14.2	12.8	11.9	13.3	8.5	7.7	6.9	6.1	5.6	5.8
INACTIVITY****	45.6	45.4	45.3	45.3	45.3	46.8	22	21.6	21	20.6	20.2	20.5

Notes: (\*) The employment rate is expressed as a share (%) of the total population in the age group. The 3 categories of employment (paid employment [i.e. employees], self-employment and contributing family work) are expressed as a share (%) of the population in employment in the age group. Contributing family work is a form of labour (generally unpaid, although compensation may come indirectly in the form of family income) that supports production for the market. (\*\*) The unemployment rate is expressed as a share (%) of the active population, i.e. the population that is either in employment or unemployed (not the total population), in the age group. (\*\*\*) The inactivity rate is expressed as a share (%) of the total population in the age group.

Reading note: In 2020, in Albania, 41.2% of people aged between 15 and 29 were in employment, compared to 70.7% of those aged 30-64. In the EU-27 as a whole, these figures were 46.1% and 74.9%, respectively. The share of people unemployed in the active population in Albania was 21.0% of the 15-29 age group and 9.2% of the 30-64 age group (EU-27 average: 13.3% and 5.8%). The shares of people economically inactive in Albania in the 15-29 and 30-64 age groups were 48.0% and 22.2%, respectively (EU-27 average: 46.8% and 20.5%).

Source: For EU-27: Eurostat, ESPN Network Core Team calculations based on LFS indicators [lfsa\_eegais], [lfsa\_egaps], [lfsa\_pganws] and [lfsa\_igan] for EU-27 average; data downloaded on 24 May 2021. For Albania: INSTAT; data downloaded on 26 July 2021.

<sup>1</sup> Except if and where otherwise specified, the indicators presented in Section 1 of this report were computed by the ESPN Network Core Team on the basis of data coming from two data sources co-ordinated at European level by the statistical office of the European Union (Eurostat: <https://ec.europa.eu/eurostat>): the European Union Labour Force Survey (EU-LFS) and European Union Statistics on Income and Living Conditions (EU-SILC). These indicators were computed for all the 35 ESPN countries for which the data needed were available. All these ESPN countries' estimates are presented in Annex B of the following Synthesis Report: Dalila Ghailani, Stéphanie Coster, Ramón Peña-Casas and Pietro Regazzoni (2021), "Access to social protection for young people. An analysis of policies in 35 countries", European Social Policy Network (ESPN), Luxembourg: Publications Office of the European Union. This Synthesis Report can be downloaded [here](#).

**Table 1b: Main activity status of people aged 15-29 and 30-64 (2015-2020, EU-27 and Albania, ratios 15-29/30-64)**

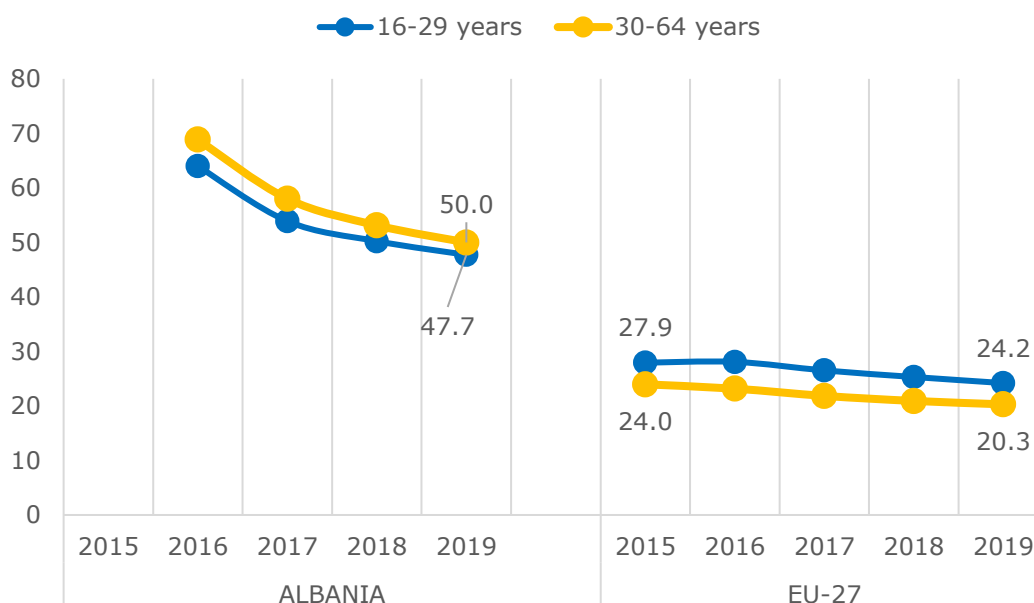
	ALBANIA						EU-27					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
EMPLOYMENT RATE*	0.46	0.48	0.49	0.54	0.57	0.58	0.63	0.63	0.64	0.64	0.64	0.62
Paid employment**							1.11	1.11	1.1	1.1	1.1	1.1
Self-employment**							0.36	0.36	0.36	0.36	0.36	0.38
Contributing family work**							1.21	1.18	1.2	1.22	1.24	1.24
UNEMPLOYMENT***	2.65	2.46	2.40	2.51	2.48	2.28	2.04	2.06	2.06	2.09	2.1	2.29
INACTIVITY****	2.18	2.28	2.37	2.28	2.22	2.16	2.07	2.11	2.16	2.2	2.24	2.29

Notes: To obtain the ratio of 15-29 to 30-64, the 15-29 percentage is divided by the 30-64 percentage: a value below (above) 1 in a given activity status therefore means that 15-29-year-olds are proportionally less (more) numerous in that activity status than 30-64-year-olds. See also Notes to Table 1a above.

Reading note: In 2020, in Albania, 41.2% of people aged between 15 and 29 were in employment compared to 70.7% of those aged 30-64 (see Table 1a) – i.e. a 15-29:30-64 ratio of 0.58. In the EU-27 as a whole (see table 1a), these figures were 46.1% and 74.9% respectively (ratio 0.62).

Source: See Table 1a.

## 1.2 Young people (aged 15-29) at risk of poverty or social exclusion

**Figure 1: People at risk of poverty or social exclusion - comparison of the 16-29 and 30-64 age groups (2015-2020, EU-27 and Albania, %)**

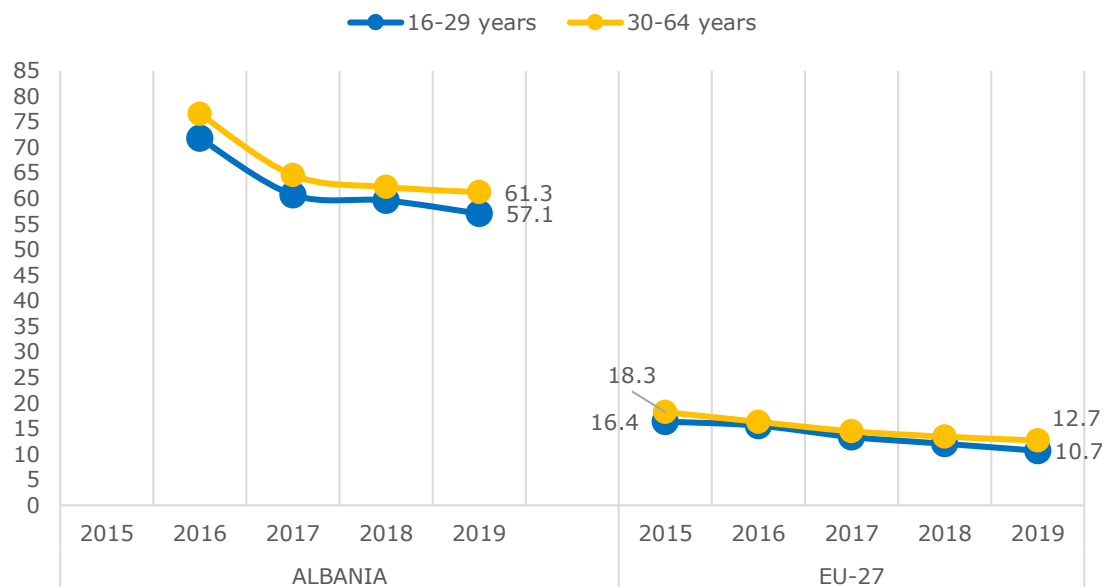
Reading note: In 2019, in Albania, 47.7% of the 16-29 age group were at risk of poverty or social exclusion (i.e. they were living in a household that was at risk of poverty and/or severely materially and socially deprived and/or (quasi-)jobless according to the EU definition of these indicators) compared to 50.0% of the 30-64 age group. For the EU-27 as a whole, these figures were 24.2% and 20.3%, respectively.

Source: Eurostat, EU-SILC ad hoc extraction - indicator [ilc\_peps02]. Data downloaded on 24 May 2021. For Albania: INSTAT; data downloaded on 26 July 2021.



### 1.3 Young people (aged 15-29) materially and socially deprived

**Figure 2: People materially and socially deprived - comparison of the 16-29 and 30-64 age groups (2015-2020, EU-27 and Albania, %)**

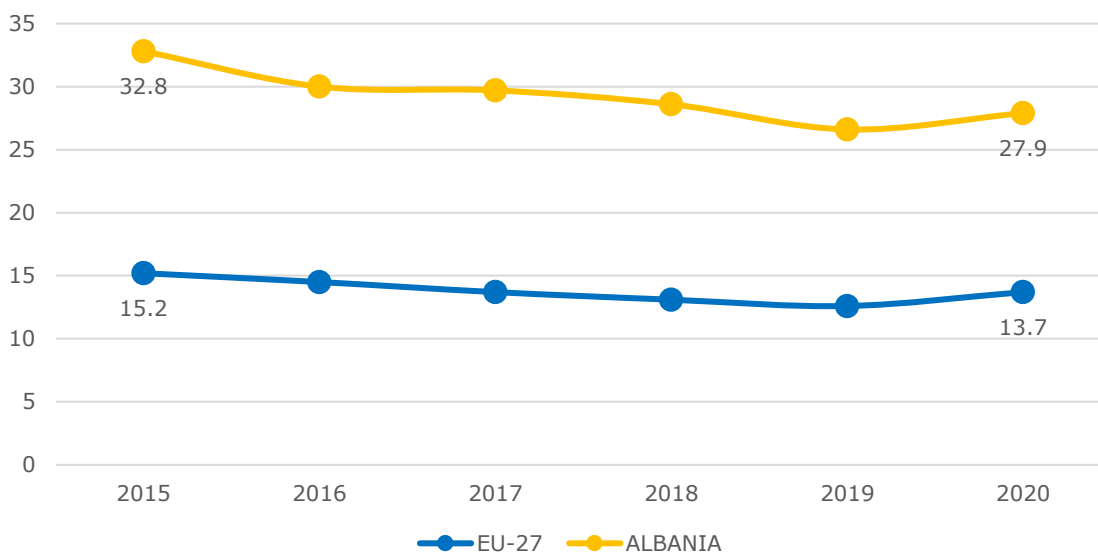


Reading note: In 2019, in Albania, 57.1% of the 16-29 age group were materially and socially deprived (according to the EU definition of this indicator) compared to 61.3% of the 30-64 age group. For the EU-27 as a whole, these figures were 10.7% and 12.7%, respectively.

Source: Eurostat, EU-SILC ad hoc extraction - indicator [ilc\_mdspd]. Data downloaded on 24 May 2021. For Albania: INSTAT; data downloaded on 26 July 2021.

### 1.4 Young people (aged 15-29) neither in employment nor in education and training (NEETs)

**Figure 3: People aged 15-29 neither in employment nor in education and training (NEETs) (2015-2020, EU-27 and Albania, %)**

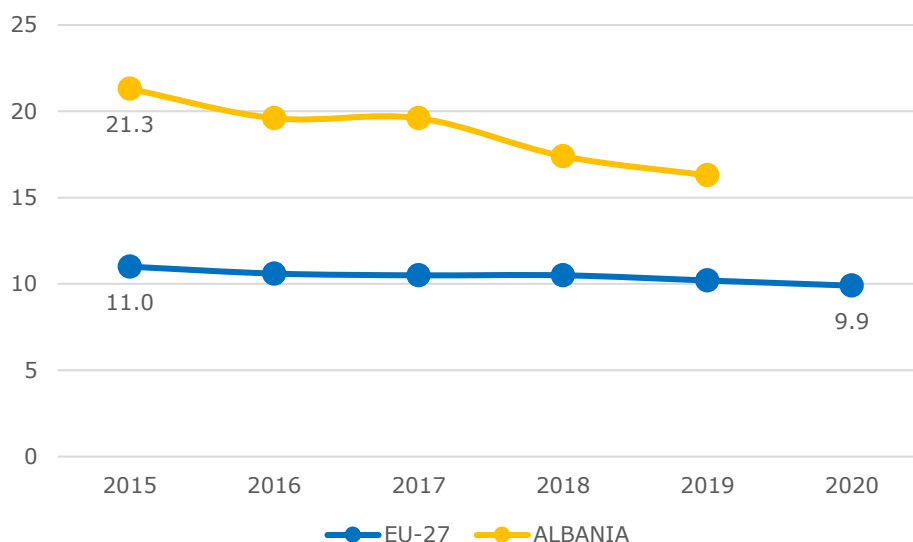


Reading note: In 2020, in Albania, 27.9% of the 15-29 age group were neither in employment nor in education and training (NEET) compared to 13.7% for the EU-27 as a whole.

Source: For EU-27: Eurostat, LFS - indicator [lfse\_20]; data downloaded on 24 May 2021. For Albania: INSTAT; data downloaded on 26 July 2021.

## 1.5 Early leavers (aged 18-24) from education and training

**Figure 4: Early leavers from education and training for the 18-24 age group (2015-2020, EU-27 and Albania, %)**

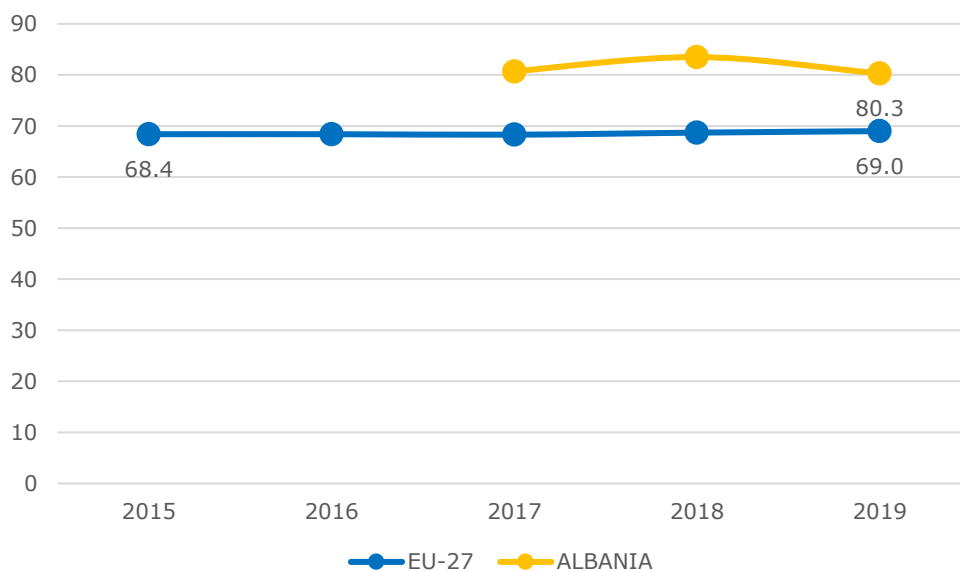


*Reading note:* In 2019, in Albania, 16.3% of the 18-24 age group were early leavers from education and training – i.e. they had completed, at most, lower secondary education and were not in further education or training. For the EU-27 as a whole, this figure was 10.2% in 2019 and 9.9% in 2020.

*Source:* For EU-27: Eurostat, LFS - indicator [edat\_lfse\_14]; data downloaded on 24 May 2021. For Albania: INSTAT; data downloaded on 26 July 2021.

## 1.6 Young people (aged 16-29) living with their parents

**Figure 5: Young people aged 16-29 living with their parents (2015-2019, EU-27 and Albania, %)**



*Reading note:* In 2019, in Albania, 36.7% of the 16-29 age group were living with their parents, compared to 69% for the EU-27 as a whole.

*Source:* Eurostat, EU-SILC - indicator [ilc\_lvps08]. Data downloaded on 24 May 2021. For Albania: INSTAT; data downloaded on 26 July 2021.

## 2 ACCESS TO UNEMPLOYMENT BENEFITS

Support to the unemployed in Albania is provided through either passive or active measures; the former includes unemployment benefit and social assistance (i.e. cash assistance), and the latter includes active labour market programmes. In Albania, the unemployment benefit is a flat-rate benefit unrelated to previous earnings, currently set by a decision of the Council of Ministers (DCM, 2018) at 50% of the gross minimum wage.

### 2.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Albania as far as young people are concerned are the following.

#### a) Age

Age is not a criterion for this scheme.

#### b) Activity status requirement

All those of working age, including young people aged 15-29, who have been in formal employment for at least 12 months since they last benefited from the scheme (if ever) can receive unemployment benefit. This includes non-standard workers such as those engaged in temporary, part-time, and on-call work. However, the self-employed are excluded from this scheme. Those participating in apprenticeships in the context of secondary vocational education are considered as inactive and ineligible; whereas apprentices (as defined in Law No 70/2016, "On craftsmanship in the Republic of Albania") are considered to be in employment, and as such can benefit from the scheme. Lastly, those engaging in on-the-job training in the context of active labour market programmes are considered to be in employment; however, no contributions are made to the unemployment insurance scheme (except for insurance towards accidents at the workplace), and as such they cannot receive unemployment benefit.

#### c) Contributory history required to access the scheme

To qualify for the benefit, unemployed people should: have at least 12 months of unemployment insurance contributions since they last benefited from the scheme (if ever); be involuntarily unemployed; have registered as unemployed at an employment office; be willing to undergo training and retraining; and not be entitled to any other social insurance benefits (except the partial disability pension). It is important to note that contributions for social insurance are paid only by employers (in the amount of 0.9% of payroll).

#### d) Waiting period

No waiting period is required; however, applicants (regardless of age group) have a maximum of 60 days to apply for unemployment benefit. Failure to apply within the stipulated timeframe renders them ineligible.

#### e) Replacement rate/benefit level

In Albania, the unemployment benefit is a flat-rate benefit unrelated to previous earnings and not age-specific, currently set by a decision of the Council of Ministers (DCM, 2018) at 50% of the gross minimum wage. The replacement rate declines rapidly for those at higher incomes, amounting to less than 25% for those with average salaries. Beneficiaries are, in addition, entitled to receive a 5% increase above the basic benefit for each dependent child up to age 18, as well as for family members who are continuing their studies or are disabled up to age 25. This additional benefit cannot exceed 30% of the basic benefit.

#### f) Duration

Unemployment insurance is granted for a limited duration, varying from three months for those who have paid social contributions for 12 months, to a maximum of 12 months for those that have worked for 10 years or longer. Women over 55 and men over 60 are the only two categories that receive 12 months of unemployment benefits if they meet the

minimum eligibility criteria. No age-related variation in the duration of benefits is applicable for other age groups, including those aged 15-29.

## 2.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Albania are the following.

### a) Main gaps in access for young people

The Albanian unemployment insurance scheme limits participation in the scheme exclusively to workers in the formal sector, by linking eligibility for, and the duration of, benefits to the length of social insurance contributions. In addition, the self-employed are excluded from the scheme and its benefits (they cannot even make voluntary contributions). This is particularly relevant for Albania, as the country has the highest share of self-employment (32% in 2020<sup>2</sup>) in the western Balkans (average of 23% in 2019)<sup>3</sup>. The disproportionately high level of self-employment in Albania is even more pronounced among young people, with the rate being nearly double that of other western Balkan countries: for the 15-24 age group, the self-employment rate in Albania stood at 22.1%, compared with the 11.6% average of western Balkan countries. For the 25-29 age group, similarly, the self-employment rate in Albania (17.5%) significantly exceeded that of other western Balkan countries (BiH – 6.3%, XK – 12%, ME – 11.9%, MK – 5.9%, and RS – 10.9%).

The exclusion of the self-employed, coupled with high levels of informal employment in Albania, substantially restrict the pool of those eligible for unemployment benefit – with the result that, on average, fewer than 4.5%<sup>4</sup> of all registered unemployed people during 2012-2020 benefited from the scheme. Whereas young people represented some 23% of all registered unemployed job-seekers in April 2021<sup>5</sup>, they represented less than 12% of the recipients of unemployment benefit, further highlighting access gaps. Recipients aged 30-64, by comparison, represented 67% of registered job-seekers and 88% of benefit recipients.

Lastly, in the context of a weak labour market where job opportunities for young people are disproportionately scarce, the short duration of unemployment benefit (especially for those with a relatively weak attachment to the labour market) carries a high probability that many recipients will exhaust their benefit entitlement before finding a new job. This is further supported by the very high rate of long-term unemployment among young people, amounting to 54.6% in 2020<sup>6</sup>.

### b) Main obstacles in access for young people

The contributory nature of unemployment benefit in the context of high levels of unemployment, inactivity, and informal employment, particularly among young people, is one of the major obstacles to ensuring access of young people to such benefits, as they struggle to meet rather stringent eligibility criteria.

In addition to activity status and contributory history criteria, people who apply for unemployment benefit must also satisfy several additional eligibility criteria, such as

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<sup>2</sup> INSTAT, LFS 2020, accessible at:

[http://databaza.instat.gov.al/pxweb/sq/DST/START\\_TP\\_LFS\\_LFSQ/NewLFSQ014/table/tableViewLayout2/?rxid=9a042b38-9b37-4adf-be72-9b932182d78b](http://databaza.instat.gov.al/pxweb/sq/DST/START_TP_LFS_LFSQ/NewLFSQ014/table/tableViewLayout2/?rxid=9a042b38-9b37-4adf-be72-9b932182d78b).

<sup>3</sup> See Jobs Gateway, accessible at: <https://data.wiwi.ac.at/seejobsgateway-q-12202d9880d095345702ba1cf.html>.

<sup>4</sup> INSTAT, LFS 2012-2020, accessible at

[http://databaza.instat.gov.al/pxweb/sq/DST/START\\_TP\\_AD\\_ADQ/ADQ133/table/tableViewLayout2/?rxid=395ab45b-379a-4c9a-99da-48eaf73df732](http://databaza.instat.gov.al/pxweb/sq/DST/START_TP_AD_ADQ/ADQ133/table/tableViewLayout2/?rxid=395ab45b-379a-4c9a-99da-48eaf73df732).

<sup>5</sup> National Agency on Employment and Skills, Administrative data.

<sup>6</sup> INSTAT, LFS, accessible at:

[http://databaza.instat.gov.al/pxweb/sq/DST/START\\_TP\\_LFS\\_LFSQ/NewLFSQ014/table/tableViewLayout2/?rxid=82234e3a-88f2-44e8-89b1-941483b83f32](http://databaza.instat.gov.al/pxweb/sq/DST/START_TP_LFS_LFSQ/NewLFSQ014/table/tableViewLayout2/?rxid=82234e3a-88f2-44e8-89b1-941483b83f32).

actively seeking employment. This criterion ignores the added disadvantage that young women and single parents with children, in particular, face. In addition, the current scheme denies benefits to people who voluntarily leave a job, regardless of whether they had a compelling reason to do so.

Information on unemployment benefits/eligibility criteria is not easily accessible, with the main institutions (such as the National Agency for Employment and Skills and the Social Insurance Institute) only publishing and/or referencing the legal basis for such entitlements, rather than providing easy-to-comprehend information through a wide range of information channels, including online portals and social media. In addition, an increased uptake of unemployment benefit could be supported by enabling online applications, as well as automating the eligibility verification process.

### **3 ACCESS TO SICKNESS AND HEALTHCARE BENEFITS**

#### **3.1 Sickness benefits**

Sickness benefits are regulated by Law No 7703, dated 11 May 1993, "On social insurance in the Republic of Albania" (as amended). The social insurance scheme is contributory and provides coverage with regard to old-age and occupational pensions, maternity and paternity leave, sickness, and accidents at work. The different branches of the social insurance scheme have different eligibility criteria, although one general condition has to be met by all beneficiaries, which is paying social insurance contributions.

##### **3.1.1 Eligibility conditions and benefit entitlements**

The main eligibility conditions and benefit entitlements that apply to the scheme in Albania as far as young people are concerned are the following.

###### **a) Age**

The sickness benefits scheme is contributory, and age is not a criterion for benefiting from it.

###### **b) Activity status requirement**

Coverage is provided only to young people in employment or self-employment who pay social insurance contributions.

In Albania there is no legislation that regulates non-standard working. If young people in non-standard working do not have a regular working contract and do not pay social insurance, they are excluded from the scheme.

Apprenticeship is the only type of non-regular working that is properly regulated. Even though the 2016 law on craftsmanship considers apprentices as being in education, they must be paid for their work, and they are deemed to be on regular full-time contracts under the labour code. This means that their contributions are paid and they have access to social insurance schemes.

Provisions on trainees can also be found in some sectoral laws. For instance, trainees in regulated professions are considered as employees, whose social insurance contributions are regularly paid and are therefore included in these schemes.

But apart from trainees in regulated professions, young people in non-standard work, as well as other trainees, are excluded from social insurance schemes.

###### **c) Contributory history required to access the scheme**

No contributory history is required for sickness benefits.

###### **d) Waiting period**

No waiting period required for sickness benefits.

### **e) Replacement rate/benefit level**

Benefits are calculated based on the average income of the previous six months as well as on the contributory history. People with a contributory history of less than 10 years receive benefits equal to 70% of their average income, while for people with a contributory history of more than 10 years the benefit level is 80% of their average income. The calculation formula for sickness benefits disfavours young people as they have shorter contributory histories.

### **f) Duration**

The duration of benefits is not age-specific.

## **3.1.2 Gaps/obstacles in access for young people**

The main gaps and obstacles in access for young people identified for this scheme in Albania are the following.

### **a) Main gaps in access for young people**

The social insurance scheme, which includes sickness benefits, is contributory and access to benefits depends upon employment or self-employment.

An important gap is the lack of legislation with regard to traineeships and non-standard working. Neither Law No 10 383, dated 24 February 2011, "On compulsory health care insurance in the Republic of Albania" (as amended), nor the 1993 law on social insurance, has provisions on non-standard working. People engaged in this type of work can either pay voluntary contributions or remain outside of the schemes. As regards traineeships and apprenticeships some provisions can be found in other sectoral laws, but these too are not properly regulated.

Law No 10 171, dated 22 October 2009, "On regulated professions in the Republic of Albania", states that anyone who wants to exercise a regulated profession should do a traineeship with a licensed professional. In these cases, payment of contributions for social insurance is compulsory and thus these trainees are eligible for sickness benefits. Trainees in other sectors, unless registered as employees, remain outside the scheme.

### **b) Main obstacles in access for young people**

The fact that the scheme is strictly contributory is the main cause for excluding from benefits young people who are unemployed or who are engaged in non-standard forms of work, such as temporary workers, trainees, and freelancers.

## **3.2 Healthcare benefits**

Healthcare benefits in Albania are regulated by the 2011 law on healthcare insurance (as amended). The scheme does not include an exemption from, or reduction of, patient charges specifically for young people.

### **3.2.1 Eligibility conditions and benefit entitlements**

#### **a) Age**

The healthcare scheme is contributory. However, it provides coverage for everyone under 18. Young people older than 18 with no contributory history may access healthcare benefits based upon meeting activity status requirements.

#### **b) Activity status requirement**

Young people older than 18 have access to healthcare if they are employed, self-employed or voluntarily pay healthcare contributions. However, several other categories of young people can access the scheme depending on their activity status. These categories include: people under 25 who are still in education; people registered as unemployed job-seekers; people on disability benefits; families on the social assistance scheme; and people who benefit from any of the social insurance schemes, such as pensioners, occupational

pensioners, and people on maternity/paternity leave. The contributions of these categories are paid by the government.

In Albania there is no legislation that regulates non-standard working. If young people in non-standard work do not have a regular working contract and do not voluntarily pay healthcare contributions, they are excluded from the scheme, unless they are included in one of the categories listed above. Apprenticeship is the only type of non-regular working that is properly regulated. Even though the 2016 law on craftsmanship considers apprentices as being in education, they must be paid for their work, and they are deemed to be on regular full-time contracts under the labour code. This means that their contributions are paid and they have access to the scheme.

Provisions on trainees can also be found in some sectoral laws. For instance, trainees in regulated professions are considered as employees, whose social insurance contributions are regularly paid and are therefore included in these schemes. Thus, except for trainees in regulated professions, young people in non-standard work as well as trainees in other sectors are excluded from these schemes.

#### **c) Contributory history required to access the scheme**

No contributory history is required for healthcare benefits.

#### **d) Waiting period**

No waiting period required.

#### **e) Replacement rate/benefit level**

Calculation of benefits is not age-specific for healthcare benefits.

#### **f) Duration**

The duration of benefits is not age-specific.

### **3.2.2 Gaps/obstacles in access for young people**

The main gaps and obstacles in access for young people identified for this scheme in Albania are the following.

#### **a) Main gaps in access for young people**

Compared with social insurance, the healthcare insurance scheme provides access for several other categories depending on their activity status. However, an important gap is the lack of legislation with regard to traineeships and non-standard working. Neither the 2011 law on healthcare insurance (as amended), nor the 1993 law on social insurance, has provisions on non-standard working. People engaged in this type of work can either pay voluntary contributions or remain outside the scheme. As regards traineeships and apprenticeships, some provisions can be found in other sectoral laws, but these too are not properly regulated.

The 2009 law on regulated professions states that anyone who wants to exercise a regulated profession should do a traineeship with a licensed professional. In these cases, payment of contributions for health insurance is compulsory and thus these trainees are eligible for healthcare benefits. Trainees in other sectors, unless registered as employees, remain outside these schemes.

#### **b) Main obstacles in access for young people**

Compared with social insurance, which is strictly contributory, healthcare benefits can be accessed if young people register as unemployed job-seekers, are students, or are included in one of the eligible categories. However, a lack of information may constitute an obstacle,

as in 2019 only 20.9%<sup>7</sup> of the registered unemployed were aged 15-29 even though the unemployment rate for this group was almost double that of the 30+ age group<sup>8</sup>.

## **4 ACCESS TO MATERNITY, PATERNITY AND PARENTAL CASH BENEFITS**

### **4.1 Contributory maternity, paternity benefits**

The maternity/paternity leave scheme is part of the social insurance scheme and provides coverage to everyone who is employed or self-employed and pays social insurance contributions. In order to claim benefits, a contributory history is required of at least one year. The duration of benefits is one year, and the benefit level is 80% of the net average wage for the first six months and 50% for the remaining six.

#### **4.1.1 Eligibility conditions and benefit entitlements**

The main eligibility conditions and benefit entitlements that apply to the scheme in Albania as far as young people are concerned are the following.

##### **a) Age**

In Albania, maternity and paternity leave are part of the social insurance scheme, which provides benefits only to people with a contributory history. Age is not a criterion for benefiting from these schemes.

##### **b) Activity status requirement**

Access to maternity and paternity leave is provided only to people covered by the social insurance scheme (i.e. the employed, the self-employed, and those who pay social insurance contributions on a voluntary basis, such as inactive people, unemployed people, and returning migrants). Non-standard workers and trainees are excluded from this scheme. The only exception relates to the 2009 law on regulated professions, which makes compulsory the payment of social insurance contributions for trainees – which in turn, makes them eligible to benefit from this scheme. Regulated professions include physicians, dentists, pharmacists, nurses, physiotherapists, social workers, psychologists, teachers, accountants, architects, engineers, and vets. As regards apprentices, even though the law on craftsmanship defines them as being in education, they have to be paid under a regular working contract: this means they pay social insurance contributions and are included in the scheme.

##### **c) Contributory history required to access the scheme**

Access to the maternity or paternity leave scheme is conditioned upon having a contributory history of at least one year. The contributory history required is the same for all age groups.

##### **d) Waiting period**

No waiting period is required.

##### **e) Replacement rate/benefit level**

The calculation of benefits is the same for all age groups.

##### **f) Duration**

The duration of benefits is the same for all age groups.

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<sup>7</sup> <http://shkp.gov.al/wp-content/uploads/2020/09/Analiza-2019-FINALE-1.pdf>

<sup>8</sup> [http://www.instat.gov.al/media/6942/njoftim-per-media-lfs-vietore-2019\\_shqip.pdf](http://www.instat.gov.al/media/6942/njoftim-per-media-lfs-vietore-2019_shqip.pdf)



### 4.1.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Albania are the following.

#### a) Main gaps in access for young people

The maternity/paternity leave scheme, just like sickness benefits, is part of the social insurance scheme. This is a strictly contributory scheme, and eligibility depends on an employment history and payment of contributions: thus, it covers employed people, self-employed people, and those who pay contributions on a voluntary basis. As a result, unemployed and inactive young people are excluded. Young people in non-standard employment who do not have regular working contracts are also excluded.

Even though apprentices are considered as being in education, they have to be paid under regular working contracts, which includes them in the scheme. As regards trainees, the 2009 law on regulated professions makes compulsory the payment of contributions for trainees in these professions, which includes them in the scheme: but other trainees are excluded.

Another gap relates to the lack of paid parental leave. The existing legislation allows for paternity leave only if maternity leave is voluntarily renounced.

#### b) Main obstacles in access for young people

The eligibility criteria for benefiting from this scheme are strict, and several categories of young people find it very difficult to access the scheme. These categories include young people in education, unemployed young people, inactive young people, and those in non-standard work. The majority of trainees also cannot access the scheme, with the exception of trainees in regulated professions.

## 5 GUARANTEED MINIMUM INCOME SCHEME

The only minimum-income scheme in Albania is the social assistance scheme (*ndihma ekonomike*). This is a non-contributory scheme providing coverage for the categories in need as defined in the Law 57/2019, "For Social Assistance in the Republic of Albania".

### 5.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Albania as far as young people are concerned are the following.

#### a) Age

There is no minimum-income scheme targeting young people in Albania. The overwhelming majority of those who apply for social assistance are families in need who do not qualify under any of the special categories. Other individuals and/or households who qualify for social assistance benefits (category benefits) include: children<sup>9</sup> in foster care and orphans outside institutions<sup>10</sup>; parents of triplets; victims of domestic violence; and victims of trafficking. Young people aged 15-29 benefit from the minimum-income scheme in two ways: (i) as members of households in need selected through the assessment system – consisting of verification of self-declarations, and electronic scoring; or (ii) if they belong to one of the eligible categories mentioned above – specifically children in foster care, orphans outside institutions, and victims of trafficking. The programme also provides for extra payments linked to children attending compulsory education, and their immunisation.

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9 The law on social assistance defines children as individuals aged 18 or under.

10 The age limit for orphans benefiting from social assistance is 25, under the law on social assistance.

**b) Activity status requirement**

There is no activity status requirement to be eligible for the scheme. The scheme is based on a proxy means-testing assessment, and households and individuals are eligible for benefits even if they have some sources of income. People of working age<sup>11</sup> (including young people aged 15-29) who are not registered as unemployed job-seekers at an employment office, or as self-employed at the tax office, can be excluded. An exception is made for families with members aged 25 or under who attend upper or higher secondary education, and for those that own/use agricultural land and live in the village. Young people registered as members of the applicant household after the age of 18 remain eligible, and the estimated benefit level for this household takes them into account as adult dependent members. All social assistance beneficiaries are included in the category of economically inactive people for the purpose of the compulsory health insurance scheme. Trainees and apprentices have access to the scheme.

**c) Other eligibility conditions**

A six-month exclusion from the scheme is imposed on families with one or more members of active working age who: refuse to go on vocational training courses; for one year reject suitable job offers by the employment offices; terminate an employment relationship without a reasonable justification, except when the contract is terminated by the employer; or have submitted a false declaration in relation to their status and socio-economic condition.

After five years in the social assistance scheme, beneficiaries become ineligible for continued support. This is reduced to four years if they also receive income from employment. The eligibility conditions to benefit from the scheme are the same for younger people and older groups, unless they fall into one of the other categories listed earlier (see sub-section a and b).

**d) Benefit level**

The benefit is estimated per household according to the structure of the family. The average monthly amount per household for 2019 was ALL 5,225 (€42).

However, when estimating the level of benefit per family, the age of dependent members matters. If a young person is the head of household, they receive ALL 1,800 (€14.50) monthly. For each household member of working age (age 15-64), the amount of benefit estimated is about ALL 1,260 (€10.10), while for each child (up to age 18) the benefit is ALL 900 (€7.20) monthly.

Children and young members (up to 18 years old) of families in need, beneficiaries of social assistance, and orphans who are not in institutions and attend compulsory education, receive a supplement of ALL 300 (approximately €2.40) until the end of compulsory education.

Children from families in need, and orphans who are not in institutions, who have been vaccinated according to the calendar, receive an additional supplement of ALL 100 (€0.80), for each vaccine.

For victims of trafficking, and orphans, the monthly benefit level is ALL 3,000 (€24.40). This category is also eligible for the cash assistance benefit after they leave residential institutions, until they find employment. For the victims of trafficking, their eligibility to benefit from the social assistance scheme is linked to the validity of the protection order.

Households can benefit from an electricity compensation measure at a monthly level of ALL 1,280 (€10.50). However, apart from the adequacy of the compensation, there is also the coverage dimension (Jorgoni, 2020a): data show that households in receipt of social assistance are vulnerable to restricted access to energy. Out of 54,000 beneficiaries of this

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<sup>11</sup> Under the INSTAT definition, the working age is 15-64.

social protection scheme, only 20,112 contracts are in place with the state-owned energy supplier (Jorgoni, 2020a). 10,646 other contracts pertaining to the same group are considered problematic since the holders are in arrears and therefore are not qualified to receive the current level of cash benefit (Jorgoni, 2020a). This finding is reinforced by the Soros Foundation, which maintains that 62% of beneficiaries of social assistance do not have access to the compensation scheme.

### **e) Distinctions between different groups of young people**

The minimum-income scheme is dominated by households in need. The only distinctions affecting young people derive from the different eligible categories as mentioned above.

## **5.2 Gaps/obstacles in access for young people**

The main gaps and obstacles for young people's access to the scheme in Albania are the following.

### **a) Main gaps in access for young people**

Benefit levels for children, and young people from age 15, are very low. In the absence of a tailored impact assessment of the social assistance benefit, its effectiveness in alleviating poverty among children and young people is unclear. The adequacy of the programme needs to be revised, taking into account the poverty threshold, minimum consumption levels for children and young people dependent on the applying household, the minimum wage level, and household consumption levels.

No impact assessment has been carried out since the roll-out of the programme in 2018. Any assessment should also take into account household and individual characteristics by gender and age group.

Young people and their families engaged in informal work may be excluded from the social assistance scheme if they refuse a suitable job offer. On the other hand, one of the reasons for refusal of a job offer is that the pay level is usually lower than what can be earned through informal work, and therefore it serves as a disincentive to job formalisation and reintegration.

The scheme includes specific procedures for special categories which are accepted into the social assistance programme by default, without undergoing the unified scoring formula test. Examples include victims of trafficking or domestic violence, orphans, and parents of triplets or more. These categories are entitled to a lump-sum payment. However, a victim of domestic violence (irrespective of age) is entitled to the payment as a domestic violence survivor only. If they also have minors living with them, they cannot simultaneously apply for regular social assistance benefit. This is also the case for the parents of triplets or more, and kinship families with children under their custody: they are not entitled to apply or receive social assistance benefits beyond the custody payment earmarked for the child.

Young people belonging to minorities, such as Roma and Egyptians, may face difficulties in accessing social assistance due to an absence of documentation. More can be done to ensure equal access for all categories of applicants through better public information campaigns and outreach at the local level. Information on eligibility rules and application procedures should be provided in public premises and spaces.

### **b) Main obstacles in access for young people**

The burden on applicants to prove eligibility. Despite the fact that the new system introduced in 2018 is based on self-reporting, and is linked to a number of databases designed to minimise the burden on applicants, applicants are still required to provide a considerable list of documents. Sometimes this burden is unnecessary, as documents are sometimes required that go beyond those prescribed through the regulatory framework, and in other cases could be accessed by the social administrator directly online. The costs and the time involved in getting hold of these documents may discourage potential applicants from applying.

In terms of how the benefit is spent, young people do not have a real role in decision-making, especially if they belong to larger households.

The absence of a minimum living income level, and an impact assessment of the adequacy of social assistance. The current benefit is inadequate to cover the daily basic needs of households, or even pay for electricity bills, let alone cover the basic needs of individuals and other activities that would empower people to live independently and improve their social and economic position. As the main interest for many applicants is the access to other services once they are on the list of beneficiaries, this underlines once again the importance of cash and care being integrated in a way that leads to the empowerment of categories in need.

Social reintegration of young people remains a challenge. In 2020, 65,977 individuals from beneficiary families were aged 15-29, or about 25% of total beneficiaries (261,129). About a third of registered unemployed job-seekers were beneficiaries of social assistance, who also have other vulnerabilities that require more than just employment support services. The total number of young people receiving social assistance who were registered as unemployed job-seekers in 2020 was equal to the total number of registered job-seekers who benefited from employment services. The current coverage of labour market reintegration programmes is so limited that it can hardly make a mark on the reintegration of young people on social assistance into the labour market. Moreover, the finite duration of social assistance benefits (up to five years) increases the pressure for the reintegration of young people and calls for a co-ordinated multi-sectorial intervention.

## 6 HOUSING BENEFITS

Social housing policies in Albania are guided by the social housing strategy (2016-2025) and Law 22/2018, "On Social Housing". The main goal of the strategy is to ensure the provision of accessible, affordable, and good-quality housing solutions to vulnerable and low-income households. The strategy commits the government to expanding social housing programmes through periodic data collection on social housing needs, improved legislative and regulatory frameworks, and financial instruments adapted for disadvantaged groups.

In Albania, any individual or household that does not own a home, lives in an inadequate or temporary housing, and cannot afford to buy or rent a home, is defined as homeless<sup>12</sup>. The law defines eligibility criteria and priority categories of people or households who can access social housing programmes.

Housing programmes consist of: (i) improving the conditions of existing houses; (ii) providing low-cost housing; (iii) developing areas for housing purposes; (iv) establishing temporary shelters; (v) building programmes for specialised housing; and (vi) offering subsidised loans, small grants, and immediate grants that target specific groups.

### 6.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Albania as far as young people are concerned are the following.

#### a) Age

The law defines directly eligible beneficiaries of social housing programmes as those adults (aged 18 and over) and households registered with local civil registry offices who, at the time of an application, fulfil a number of conditions.

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<sup>12</sup> The law on social housing (22/2018) defines a temporary residence as a dwelling intended for temporary shelter, meeting a need for immediate and short-term accommodation until a sustainable housing solution can be found.

**b) Activity status requirement**

There is no specific activity requirement. The programmes target low-income households and vulnerable groups as well as middle-income households that are active in the labour market and need further support. For each category, proof of labour market or other income is required as well as other supporting documentation, as specified in law.

**c) Other eligibility conditions**

The law defines a number of eligibility conditions for social housing programmes, such as: (i) living in a dwelling that does not meet basic housing norms (as defined through a decision of the Council of Ministers) and not owning it; (ii) people who become homeless due to a natural disaster, the demolition of dwellings not suitable as housing, an eviction because of public investment, an eviction from dwellings excluded from the legalisation processes or an eviction resulting from administrative acts and court decisions; and (iii) living in an old dwelling at risk of being demolished. Although the law on social housing also includes “transitional supported accommodation” and “women’s shelter or refuge accommodation”, beneficiaries are not referred to as homeless (see above, law on social housing (22/2018)) but mainly as categories that need to be addressed through housing programmes.

The selection of beneficiaries is therefore based on their living conditions as well as their social and economic circumstances. Two main groups are the focus of social policies: (i) low-income households and vulnerable groups; (ii) middle-income households who are active in the labour market and need further support. 15 social groups are considered as priorities: single-parent households, large families, older adults, people with disabilities, young couples, households who have changed residence, orphans, returning emigrants, migrant workers, asylum-seekers, families of fallen officers, victims of domestic violence, Roma community, Egyptian community, and recipients of economic assistance.

Young people falling into any of the eligible categories specified above can apply for social housing. Age is of particular importance for applications by orphans, young couples and minors in conflict with the law, and victims of trafficking.

Orphans are eligible only if they have acquired the status of orphans before the age of 18; they can apply for social housing from the moment of leaving residential centres until the age of 30. Young couples whose total joint age is 60 or less are also eligible.

The social housing law of 2018 introduced for the first time the specialised housing programme, which addresses groups with specific housing needs, including: victims of trafficking; victims of domestic violence; children without parental care or under state protection and preparing for independent life; minors aged 14-18 or young people aged 18-21 in conflict with the law, after being released or completing the related justice programmes; and young mothers.

**d) Benefit level**

There is no difference in the benefit level by age group.

**e) Distinctions between different groups of young people**

The only distinction made between different groups of young people is that based on the socio-economic category they belong to. Special categories such as orphans (up to 30 years old) and young couples are prioritised.

**6.2 Gaps/obstacles in access for young people**

The main gaps and obstacles in access for young people identified for this scheme in Albania are the following.

### **a) Main gaps in access for young people**

There is a lack of reliable data on young people in need of housing, as information on housing at the local level relies heavily on data relating to applications and not on real needs.

Overall, there is a lack of standardised and reliable information at the local level on the housing market, rents, affordability, overcrowding, housing exclusion, and homelessness.

Limited capacities and resources on the part of central and local level structures dealing with social housing policies. At the municipal level, not all units have a dedicated structure or staff dealing with social housing. Not all municipalities have designed a housing programme, as they lack the capacity to draft, deliver, and monitor social housing services.

Young people from the Roma population who are not registered with the civil registry office face challenges in accessing housing programmes (INSTAT and UNDP, 2015). Implementation of the de-institutionalisation plan will have implications for the housing of young people living currently in institutions.

Young people make up a disproportionately low percentage of those supported by social housing programmes, despite nominally being a priority group. During 2019-2020, a total of 2,672 families were supported through social housing programmes, of which only 1% (30 families) were defined as young couples. In addition, these 30 young couples came from 11 municipalities (18% of all municipalities), revealing the real level of access by young people at the local level (data from MoFE, 2021)<sup>13</sup>.

### **b) Main obstacles in access for young people**

The strategy for social housing (2015-2025) identifies a number of challenges regarding: poor evidence on social housing and local capacities; an insufficient legal, institutional, and regulatory framework; limited financial instruments to support disadvantaged groups; and limited outreach by social housing programmes to the poorest segments of the population. Municipalities lack the capacity to carry out their task of managing demand for social housing and the social housing stock. The needs assessment that feeds into the housing programme relies only on the number of applications and beneficiaries, while data on homeless young people and other individuals are missing.

Young people face significant affordability challenges accessing the housing market in Albania. Findings from the High State Audit Commission confirm that buying an apartment in Albania, taking into account young people's incomes and average wages, is "completely unaffordable" (High State Audit Commission, 2019<sup>14</sup>). This is particularly challenging in urban areas, and most of all in the capital, where buying a house near the centre is not affordable even for the highest paid<sup>15</sup>.

<sup>13</sup> As of 20 May 2021, out of 1,122 families and individuals benefiting from rent subsidy up to that point in 2021, only eight were "young couples"; and 16 young couples out of 1,500 families had benefited from interest loan subsidy programme.

<sup>14</sup> This quotes the 15th Annual Demographia International Housing Affordability Survey: 2019 by Wendell Cox and Hugh Pavletich. It also refers to the World Bank methodology for assessing housing affordability, which suggests that for an apartment to be categorised as affordable, prices must not be higher than three times the gross annual income.

<sup>15</sup> "Tirana the most expensive city in the world, buying a house near the centre is not affordable even by the highest paid", Monitor magazine, 7 April 2019. Accessible at: <https://www.monitor.al/tirana-me-e-shtrenjta-ne-bote-blerjen-e-nje-shtepie-afer-qendres-nuk-e-perballojne-dot-as-me-te-paquarit/?fbclid=IwAR0qemsTDzq78dUoNbwkaJs7FgJkC1d1Qj-DhEm5aLsDtDIOe1d87JgeefI>.

## 7 REFORMS, NATIONAL DEBATES AND RECOMMENDATIONS

### 7.1 Reforms implemented since 2015

The **unemployment benefit scheme** has not undergone any major reforms since 2015, except for the automatic alignment of the benefit to changes in the minimum wage. Whereas in the past unemployment benefit lagged by a couple of months any changes to the minimum wage, since 2018 benefits have automatically been adjusted to 50% of the minimum wage.

The **healthcare insurance scheme** has not been reformed during the last five years, while the social insurance scheme, which includes sickness benefits and maternity/paternity benefits, underwent a deep reform whose implementation started in 2015. The reform introduced for the first time the concept of paternity leave, thus widening the possible beneficiaries by including all insured men. Additionally, the non-contributory scheme that provides cash allowances for each newborn child was introduced in 2018. The scheme underwent some changes in 2020 with the introduction of rules to include in the scheme the families of children born outside the borders of Albania.

**Reforming minimum-income scheme.** Since the reformed programme of social assistance was rolled out in 2018, the number of poor households benefiting from the programme has been on the rise – from an average of 54,299 in 2018 to 63,510 in 2020 (data from MoHSP, 2020). The objectives of social assistance reform focus on improving equity and efficiency. A pilot project on reform implementation started in June 2014, and since January 2018 the reform has been implemented in all regions.

Albania is among those countries where the main social protection measure is based on cash transfers, namely the existing social assistance programme. During the first year of the COVID-19 pandemic, minimum-income support was doubled for nine months in total – comparable to examples in other countries ranging up to 12 months duration (Gentilini et al., 2021). This was the only enhancement of existing benefit levels. A second measure related to the minimum income was a one-off financial assistance of ALL 16,000 (€130) targeting unsuccessful applicants of economic assistance who had applied during the period July 2019 to April 2020 – and who were not beneficiaries of the social assistance through the 6% budget of the municipalities.<sup>16</sup> This measure was approved in April 2020 and implemented between April and June 2020.

(Jorgoni, 2021a). However, as argued by experts and in the recent European Commission assessment of the Albanian ERP (European Commission, 2021) one of the main challenges faced by attempts to mitigate the impact of the pandemic and support recovery is the need to increase the coverage and adequacy of social protection and health insurance, in order to reduce the share of the population at risk of poverty. The challenges identified in the ERP assessment report include the low effectiveness of social transfers in reducing poverty, as well as the modest level of social assistance benefits and scarcity of social care services for vulnerable people in particular. For the moment, there is no indication whether the doubling of social assistance will become a permanent measure. Permanent changes in the amount of benefit should be based on targeted studies, and take into account the poverty threshold and other relevant indicators.

**Social housing.** The 2018 law on social housing provides a legal definition of social housing tenure, target groups, subsidies, and eligibility. The law also anticipates linkages between social housing programmes and social services, such as employment, education, and healthcare. A joint instruction defining synergies between programmes is still to be drafted by the relevant ministries. The law is embedded in the national strategy for social

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<sup>16</sup> Government of Albania, Decision of Council of Ministers No 341 (23 April 2020): "Some additions and changes to decision No.305, dated 16 April 2020, of the Council of Ministers, 'On the determination of procedures, documentation and the amount of financial assistance for current employees and employees dismissed as a result of COVID-19'". See also Jorgoni (2021a and 2021b).

housing, which includes a targeted approach to homelessness. The first national strategy for social housing was drafted in 2016 and covers the period 2016-2025. It considers social housing as a solution that can be both a rental or home-ownership tenure, which is provided by local government or the private sector to low- and middle-income households that cannot afford a house in the market, and/or to households that are excluded from the housing market because of their vulnerability and social exclusion. The strategy and the law make explicit reference to young couples as one of the priority categories for the housing programmes. Currently a mid-term review of the strategy is being carried out. The results of this review should lead to a revision of the national strategy, which no longer reflects the legal framework on social housing introduced in 2018, and should be followed up by the drafting of secondary legislation.

## 7.2 National debates

**Albania is characterised by very limited national debate on unemployment benefit**, which is largely linked to the low coverage of the benefit. Whereas social security contributions for unemployment benefit are collected from employers, the actual benefits are financed by the state budget. The revenue stemming from the 0.9% contribution amounted to roughly ALL 3.1 billion (€25 million) in 2019, while state expenditure on unemployment benefit that same year was ALL 405 million (€3.3 million). The large gap between contributions and actual benefits could potentially indicate sufficient fiscal space for relaxing the strict eligibility criteria and/or increasing the level of benefits. Alternatively, the flat rate of unemployment benefit could be reviewed, and benefits could be aligned to pre-employment earnings.

**Poor access and inadequate services have been key issues driving public debate on young people and migration.** The push factors include poor living conditions, and lack of individual and political safety (De Soto et al., 2002; Dragoti and Ismaili, 2018). Hopes for a better future and the prospects in host countries focus on education, employment, and the overall quality of living for migrants and their families (Vullnetari and King, 2003).

**Economic factors** including poverty, unemployment/underemployment, low income from the formal and informal sectors, and difficult living conditions are the main reasons for migrating. Available research (Gedeshi and King, 2019) points out that indebtedness, to grocery stores and electrical energy suppliers, has pushed Albanians of all ages to seek asylum in EU countries (Gedeshi and King, 2019).

The **future of their children** is another driver for families, and they see migration as holding out the prospect of better-quality education and better opportunities for their children. **Lack of proper healthcare services** as well as **limited social protection** are other important push factors (Gedeshi and King, 2019).

These push factors are based on the perception of migrants, and of their close family members, that they cannot improve their well-being (either financial or non-financial) while remaining in Albania (CDI, 2017). A better job, a higher income, better healthcare, and better study conditions, appear more achievable through emigration to Germany (CDI, 2017). Emigration for financial reasons and for better working and living prospects were the push factors for 65 % of returnees (INSTAT and IOM, 2019).

**Access to adequate and affordable healthcare services** has been one of the key push factors for migration, and remains of great concern for returned asylum-seekers. Unemployed returnees or those who work in the informal sector do not have health cards or are not entitled to free healthcare services, whereas specialised healthcare in private hospitals is costly and continues to be of great concern for some returned asylum-seeker families (Gedeshi and King, 2019). Families with dependent children and young people with disabilities are faced again upon their return with the absence of adequate and accessible professional services, as are the rest of the local population.



**Accessible and affordable housing** is an especially significant challenge for young people – and also for about 98% of returnees, who need support to secure shelter for their family upon return (INSTAT and IOM, 2019). This is particularly relevant for returnee families who sold their houses and other assets to finance their migration project. Roma and Egyptian returnees, in significantly poorer socio-economic conditions than the majority population, have also raised the need for housing as a result of the demolition of their homes (World Bank, 2019). Social housing remains a challenge for young people and all the population in Albania. Returnees applying to the social housing programmes are faced with a number of barriers, such as a lack of information about the programmes available, the set of documents to be submitted, and the costs related to providing these documents (Jorgoni, 2020b; Government of Albania, 2020). Other returnees prefer to restart their life in a different municipality, usually the capital or other bigger urban centres – which then creates problems of eligibility for social housing, as they do not appear in the system as residents of their new municipality (Jorgoni, 2020b; Government of Albania, 2020). Although Tirana remains attractive to young people as a city providing more employment opportunities and a concentration of the main services, it is on the other hand less affordable in terms of buying a house, with the result that a vicious circle is created, especially for those most needing housing and integration support (Gedeshi and King, 2019).

Findings from migration surveys outline significant changes in the features of Albanian migration during the last decade. The desire to migrate is higher among young people in their late 20s, the better educated and most qualified, those who were employed, and those earning medium-high incomes (Gedeshi and King, 2018). About a decade earlier, the desire to migrate was higher among young people in their early 20s, less educated and less qualified people, unemployed people, and those earning a low income. This means that Albania will be hit even harder by the brain and skill drain, which will have negative consequences in the long term (Gedeshi and King, 2018).

### 7.3 Good practice and recommendations

As the social protection system in Albania is contributory and provides access only to people with a regular working contract who pay contributions, it is of pivotal importance to **introduce new provisions which would allow access to the system to young people engaged in non-regular work**. With the exception of apprenticeships, all forms of non-regular work as well as traineeships remain insufficiently regulated. In the context of a challenging school-to-work transition, young people are more prone to engage in non-standard work (including temporary, part-time, agency, and digital platform work). While the latter represent a good opportunity for obtaining initial work experience and combining work with education, transitioning to stable employment is necessary to address some of the challenges that non-regular work poses, such as the greater vulnerability to unemployment, intermittent work, and lower quality of employment. In Albania, legislative gaps need to be identified and regulatory inefficiencies need to be corrected. In addition, initiatives that afford greater protection, as well as promoting decent work among workers in non-standard employment, are needed. With regards to temporary employment agencies, Albania needs to assess the impact of the recently adopted legislation in this field. Moreover, the flat rate of unemployment benefits could be also be reviewed, and benefits could be aligned to pre-employment earnings.

**The reformed social assistance programme has contributed to the overall efficiency of the social protection system.** The Management Information System (MIS) for the social assistance programme has been developed and is operational nationwide, with applicants' intake data cross-checked against seven external databases. The establishment and use of the MIS for social assistance also pushed other agencies to update and modernise their data system (such as the database on registered unemployed people held by the National Employment Services, the civil registry, the tax office database, social insurance contributions and pensions received, and property registration). The new programme also served as a mechanism to improve targeting of other cash assistance schemes.

However, as poverty is multidimensional, the strategy to address these dimensions should be carefully integrated into policy thinking. Supporting young people to exit from the social assistance programme should incorporate not only employability and access to the labour market, but also improved access to other services and action to address their vulnerabilities. Investment in services and the employability of categories in need remains key to reintegration for young people, where all relevant actors have shared responsibilities.

The government **commitment to reintegrate people benefiting from the social assistance programme into the labour market** is a positive initiative. In recent years (2018 and 2019), the National Agency for Employment and Skills and the State Social Services have committed to building a foundation for closer collaboration with regards to helping social assistance beneficiaries find paid work. The focus of this collaboration has been the support of all former beneficiaries of social assistance, following the roll-out of the new scheme. In 2019, the Ministry of Finance and Economy, and the Ministry of Health and Social Protection, issued a joint instruction further detailing the protocols between the two agencies for the social reintegration of beneficiaries of social assistance<sup>17</sup>. Nonetheless, it is important to highlight that social reintegration should be seen more broadly than simply the provision of employment services and the placement of beneficiaries on employment programmes. Social services should be provided, in order to address the root causes of the vulnerabilities faced by beneficiaries of social assistance, and should often accompany these beneficiaries even after they find employment.

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<sup>17</sup> A joint ministerial order signed by the Minister of Finance and Economy and the Minister of Health and Social Protection, dated 29 August 2019 (No 624), approved the operational plan (2019-2020) for the employment of economic assistance beneficiaries of active employment age.

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