



**Government Defence
Integrity Index**



2020

Country Brief:

ALBANIA



ALBANIA

Recent years have proven politically tumultuous for Albania, with a parliamentary boycott in local elections in 2019 leaving the ruling party to run unopposed. This was preceded by mass walks outs in 2017 and 2018 after an investigation revealed that the governing Socialist Party had enlisted the help of organised crime networks in the 2017 presidential elections,¹ leading some NGOs to raise the alarm over declining democratic standards.²

A further Socialist Party victory in the bitterly contested 2021 parliamentary elections³ has done little to bridge Albania's deep political divisions and has raised further concerns over the state of Albanian democracy.⁴ One of the only issues that generates broad consensus is the prospect of EU accession, which is believed to be supported by up to 97% of the population.⁵

However, the stagnating accession process is causing rifts and tensions between the EU Commission and Albania, that could threaten the future of some of Albania's reform efforts.⁶ As things stand, the prospect of joining the EU, coupled with Albania's 2009 accession to NATO, are driving governance reforms. This includes defence, where Albania has actively focussed on modernizing its defence and security apparatus and begun aligning defence procurement legislation with EU standards.⁷ The defence budget has also been steadily increasing in line with its NATO commitments⁸. However, despite these efforts, there remains a considerable risk of corruption without strengthened defence governance mechanisms. Albania still does not have a specific anti-corruption strategy for a defence sector that remains opaque and lacks transparency, especially in terms of procurement and financial management. External oversight remains extremely weak and significant corruption risks exist in terms of personnel and military operations.

Member of Open Government Partnership	Yes
UN Convention Against Corruption	Ratified in 2006
Arms Trade Treaty	Ratified in 2014

Central and Eastern Europe Overview

As Central and Eastern European states become increasingly integrated with the EU and NATO through membership and partnerships, they are poised to play a key role in the continent's future, and in particular its security and defence decisions. Nevertheless, a combination of acute threat perceptions, rising defence budgets, and challenges to democratic institutions make states in Central and Eastern Europe and the Caucasus particularly vulnerable to setbacks in defence governance, which could threaten the progress made over the past decades. Already, authoritarian governments, particularly in the Western Balkans and Central Europe, have overseen significant democratic backsliding that has undermined the quality of defence governance and heightened corruption risk in the sector. Continuing and frozen conflicts in Ukraine, Moldova, Armenia and Azerbaijan, combined with Russian attempts to exert influence over the region through electoral interference, disinformation and corruption, contribute

to a delicate security situation in a strategically critical region. This will test the quality of defence governance across the region, which though fairly robust, has persistent gaps and deficiencies that need addressing. Weak parliamentary oversight and increasing alignment between the executive and legislature is undermining the quality of external scrutiny, while procurement continues to be shrouded in secrecy and exempted from standard contracting and reporting procedures. Equally, access to information and whistleblower protection systems are increasingly coming under threat and anti-corruption remains poorly integrated into military operations.



¹ Freedom House, *Nations in Transit: Dropping the Democratic Façade* (Freedom House: Washington DC), 2020, p. 9.

² Freedom House, *Nations in Transit*, p. 3.

³ Fjori Sinoruka, 'Rama's Election Win Cannot Bridge Albania's Divisions', *BIRN*, 30 April 2021.

⁴ Gjergj Erebara, 'Albanian Socialists Owe Latest Victory to Well-Oiled Machine', *BIRN*, 4 May 2021.

⁵ Orlando Crowcroft and Dena Ristani, 'Albania is No Closer to Joining the EU. Its Leaders Might Prefer it that Way', *Euronews*, 23 April 2021.

⁶ Crowcroft and Ristani, 'Albania is No Closer'.

⁷ European Commission, 'Albania 2019 Report – Commission Staff Working Document', Brussels, 29 May 2019.

⁸ Ministry of Defence, '2021 Defence Budget, Xhaçka: 11.8% higher than in 2020; in Albania the largest exercise ever', 28 October 2020.



ALBANIA

Overall scores

The size of the colour band corresponds to number of countries that fall into that category.

ALBANIA SCORE HIGH RISK

D

39



A > 83-100 VERY LOW

B > 67-82 LOW

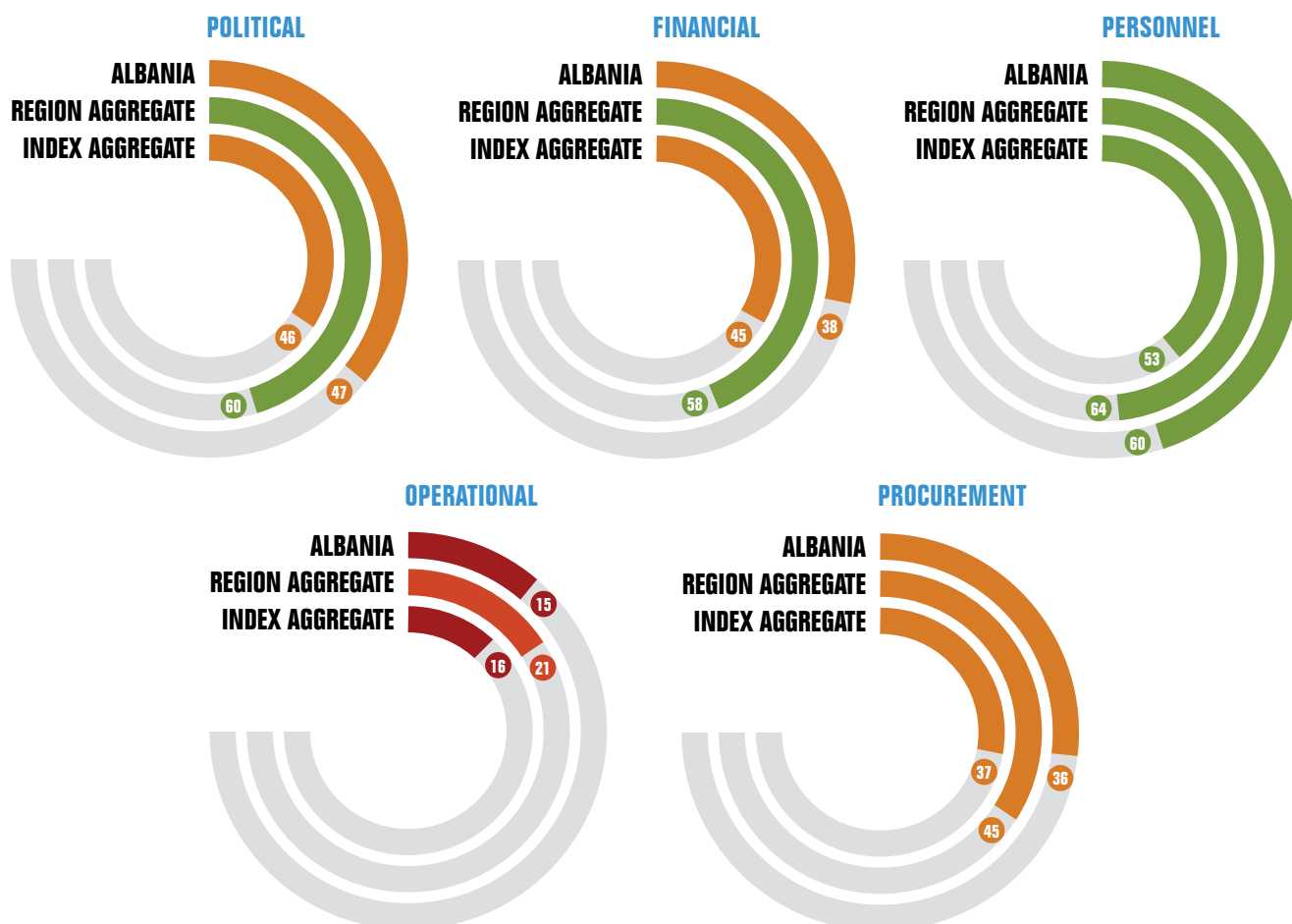
C > 50-66 MODERATE

D > 33-49 HIGH

E > 17-32 VERY HIGH

F > 0-16 CRITICAL

Risk Comparison





ALBANIA

Parliamentary Oversight

Legislative oversight of budget (Open Budget Survey, 2019)	61/100
Military expenditure as share of government spending (SIPRI, 2020)	4.7%
Committee members with defence expertise %	11% (2 of 18)
# of meetings/year	36 (2019); 28 (2018); 16 (2017)
Last review of defence policy/strategy	2015

Albania's recent political history has been marked by the consolidation of power by the ruling party. After parliamentary boycotts in 2017 and 2018, the opposition resigned en masse in February 2019,⁹ and the ruling Socialist Party (SP) held an absolute majority in parliament between February 2019 and September 2021. Moreover, allegations of vote-buying during the 2017 parliamentary elections and repeated accusations of fraud in subsequent elections have also significantly diluted the independence and effectiveness of the Albanian parliament.¹⁰ As a result, despite having significant formal powers over the design and implementation of defence policies, the parliament does not exercise its full powers of oversight. The legislature is instead characterised by close alignment with the executive and considerable deference on sensitive issues, such as defence. Aside from occasional hearing sessions for annual reports, parliament has very rarely used other oversight tools such as holding hearings or inquiries, summoning military personnel, civil servants or experts to testify, or examining petitions and complaints from military personnel and civilians.¹¹ At the committee level, the Parliamentary Committee for National Security suffers from substantial political polarization and executive influence, leading it to misuse oversight tools for partisan objectives rather than for improving defence policy governance.¹² Bills and budgets are generally passed with few amendments, if any, and committee minutes underscore how discussions are limited to endorsing executive-driven legislation and policies.¹³ Financial oversight is also exercised by the State Supreme Audit Institution (SSAI), which is empowered to scrutinise all state institutions including defence. However, though the SSAI is independent and active in carrying out performance and financial audits, the implementation of its recommendations is low. On average, only around half of the recommendations it puts forward are used to strengthen financial management.¹⁴ Moreover, parliament does not play an active role with respect to the auditing of spending by defence and security institutions, and it rarely scrutinises reports from the SSAI or acts upon findings presented to it.

Financial Transparency

Defence-related access to information response rates	(1) % granted full or partial access: Insufficient data (2) # subject to backlog: Insufficient data
Defence-related complaints to ombudsman/commissioner #	5 (2019); 3 (2018); 4 (2017)
Does the commissioner have authority over the MoD?	Yes, with some limitations
Audit reports on defence (2018-2020) #	1 (2018)
Open Budget Index (IBP, 2019)	55/100
World Press Freedom Index (RSF, 2021)	83rd out of 180

In 2014, Albania adopted the Law on the Right to Information.¹⁵ Despite establishing the legal and institutional framework to ensure institutional transparency and access to information, the implementation of the new regulations in the defence sector continues to be a challenge. Overclassification of information undermines public access to key documents, with such limitations even extending to oversight bodies such as the SSAI. More broadly, the government has become increasingly closed to the public in recent years and has passed legislation designed to reduce transparency¹⁶ and restrict access to key documents.¹⁷ These trends are particularly evident with regards to defence,¹⁸ with the Ministry of Defence (MoD) failing to publish a full national defence budget. Only a highly aggregated version is put out by the Ministry of Finance, divided into seven broad programmes, including one that encapsulates the entire budget of the security services.¹⁹ The programmes lack justifications, and no disaggregated information is made available to the public, with requests for access to budgetary information rarely acted upon. The budget also excludes sources of off-budget income, with no disclosure of the size or provenance of these revenue streams. This includes income generated by military-owned business, including import-export, ship-building and ammunitions factories. The MoD does not publish any financial data on the activities of these companies, nor is it available in external audit reports, undermining financial transparency and increasing corruption risk in financial management.²⁰ Finally, as mentioned previously, the right to access to information exists and the legal framework is applicable to the defence sector. In accordance, the MoD and Armed Forces have established transparency programmes and coordinators who process requests from the public.²¹ However, there is no track record of information being declassified by the MoD for public information purposes and questions related to anything other than basic administration rarely get answered.

⁹ Freedom House, *Nations in Transit*, p. 9.

¹⁰ Vincent W.J. van Gerven Oei, 'The Internationals are Sleepwalking into an Autocracy', *Exit News*, 25 June 2019.

¹¹ Institute for Democracy and Mediation, 'Monitoring and Evaluation of the Security Governance in Albania,' Tirana, 2014.

¹² Institute for Democracy and Mediation, '(Un)Democratic Control of the Albanian Armed Forces: Centralisation of Defence Policy and Ineffective Oversight', May 2021.

¹³ Parliament of Albania, 'Archive on the minutes of the CNS meetings'.

¹⁴ The State Supreme Audit Institution, 'Annual Performance Report 2019,' 2020.

¹⁵ Assembly of the Republic of Albania, *Law No. 119/2014 on the Right to Information*, 2014.

¹⁶ Exit, 'Albania's Press Freedom Violations during COVID-10 Reported to EU Vice-President for Values and Transparency', *Exit News*, 22 April 2020.

¹⁷ Fjori Sinoruka, 'Concern in Albania Over String of Secretive COVID Tenders', *BIRN*, 7 October 2020.

¹⁸ Euronews, 'SPAK investigates defence [ministry] secret tender, verifies health ministry', 30 April 2020.

¹⁹ Ministry of Finance, '2020 Budget', 2020.

²⁰ State Supreme Audit Institution, 'Report on State Budget', 2019.

²¹ Ministry of Defence, 'Transparency Program of the Ministry of Defence'.



ALBANIA

Personnel Ethics Framework

Whistleblowing legislation	Whistleblowing and Whistleblower Protection Law (2016)
# defence-sector whistleblower cases	None (2017, last available report)
# Code of conduct violations	Military: No specific code of conduct. Civilian: No specific code of conduct.
Financial disclosure system	# submitted: Data is not publicly available # of violations: Data is not publicly available

Albania adopted a Law on Whistleblowing in June 2016 that requires public and private entities to establish internal whistleblowing units, whilst also strengthening legal protections.²² However, the law's scope is restricted and covers only the reporting of narrowly defined acts of corruption, making it limited with regards to issues such as conflicts of interests and waste of public funds.²³ Equally, its implementation has been slow, with awareness-raising campaigns limited to NGO efforts. Throughout the first year of its enforcement, not a single case was recorded from defence and security institutions, which is indicative of the low level of information and the lack of trust in the system, with little being done to prioritise or encourage whistleblowing across the sector. A further obstacle to anti-corruption standards in the sector is the weakness of codes of conduct. In fact, for military personnel, there is no formal code of conduct. Ethical and behavioural standards are instead outlined in the Law on Discipline in the Albanian Armed Forces.²⁴ Though the law does contain provisions related to bribery, gifts and conflicts of interests, it does not provide guidance on how personnel should respond in such instances. There are also question marks over the enforcement of ethical and anti-corruption standards. The number of reported cases of ethical breaches is extremely low, though lack of information makes it unclear if this is due to weak enforcement. The Ministry of Defence (MoD) also does not publish any information on disciplinary proceedings, making it difficult to assess to what extent sanctions are imposed.²⁵ There are also question marks surrounding the quality and extent of anti-corruption training for personnel. While some anti-corruption standards are covered in courses and briefings, they are superficial in nature. This training usually only occurs at the academy level for military personnel, while training for civilians only applies to a small share of staff.

Operations

Total armed forces personnel #	9,000
Troops deployed on operations #	29 Kosovo (NATO KFOR), Unknown in Mali (EUTM).

As a member of NATO, Albania contributes military and civilian personnel to its operations in Afghanistan (until the August 2021 NATO withdrawal)²⁶ and Kosovo,²⁷ as well as advisors to the EU Training Mission in Mali (EUTM).²⁸ Despite these deployments, corruption risk is unaddressed within Albania's architecture for military operations. Its doctrine makes no reference to corruption as a strategic threat during deployments and merely refers to it as a factor that exacerbates asymmetrical threats, with no detail on how to address it. This lack of emphasis on corruption translates down into training programmes that pay insufficient attention to the issue of corruption for personnel at all levels. Whilst international training programmes do address it, their effects and availability are minimal; the International Peacekeeping Training Centre in Bosnia for instance can only host one attendee from Albania on its week-long course. Corruption monitoring during missions also remains poor. Military police deployments accompany certain operations and whilst their remit covers corruption-related issues, there is no practice of producing specific reports on it. Moreover, there is no evidence of corruption risks being taken into account in contracting or in the forward planning for military operations.

²² Republic of Albania, Law No. 60/2016.

²³ Aryan Dyrnishi, 'New Report Shows Scant Results for Albania's Whistleblower Law', *Southeast Europe Coalition for Whistleblower Protection*, 28 August 2018.

²⁴ Assembly of the Republic of Albania, Law 173/2014 on Discipline in the Albanian Armed Forces, Article 11, 2014.

²⁵ Ministry of Defence, 'Discipline'.

²⁶ NATO, 'Resolute Support Mission (RSM): Key Facts and Figures', June 2020.

²⁷ NATO, 'Kosovo Security Force (KFOR): Facts and Figures', June 2020.

²⁸ EUTM, 'EUTM Mali Mission Factsheet'.



ALBANIA

Defence Procurement

Military expenditure (US\$ mil) (SIPRI, 2020)	216
Open competition in defence procurement (%)	Data is not publicly available
Main defence exports – to (SIPRI, 2016-20)	N/A
Main defence imports – from (SIPRI, 2016-20)	United States

Albania has made strengthening procurement legislation a priority in recent years. It has increased capacity in the Public Procurement Agency, made the use of a central electronic procurement portal compulsory, and begun to strengthen oversight.²⁹ Despite this, defence procurement remains shrouded in secrecy, even at a time of rising defence spending and investment in hardware and equipment.³⁰ Though procurement is conducted according to a long-term acquisition plan, it remains difficult to assess whether the plan derives from a defined strategy, as there is limited public information available on it. The overwhelming majority of defence procurement is single sourced, and most acquisitions had been excluded from the Law on Public Procurement – until the entry into force of the 2020 Law on Procurement in the field of Defence and Security.³¹ While it remains to be seen how effectively the legislation is implemented, it does signal a notable strengthening of the legal framework around defence procurement. Indeed, due to secrecy clauses in public procurement legislation, the vast majority of defence tenders saw only one operator being invited to bid.³²

Overall, procurement cycle oversight mechanisms remain weak.

The Procurement Agency still lacks the capacity to oversee the implementation of procurement contracts effectively and compliance remains low, whilst it has had no authority to oversee the implementation of classified procurements. Defence purchases are rarely made public, and scrutiny over such purchases is limited in scope and depth. For instance, whilst the Supreme State Audit Institution (SSAI) body has the power to oversee defence procurement, including acquisitions classified under defence and security clauses, its reports are never followed up by investigations or by Parliament and it has never conducted a performance audit of defence. In fact, the low levels of implementation of the recommendations in Supreme State Audit Institution reports have been consistently flagged by the European Commission as an area for improvement.³³ Albania has also witnessed an exponential increase in classified procurements, going from 5% of total contracts in 2010 to close to 80% in 2018 of all contracts, contributing to reduced transparency and oversight and significantly increasing the risk of corruption.³⁴

²⁹ European Commission, 'Albania 2019 Report'.

³⁰ Ministry of Defence, '2021 Defence Budget, Xhaka'.

³¹ Government of Albania, Law No. 36/2020 On Procurement in the Fields of Defence and Security, 2020.

³² Government of Albania, Law No. 9643/2006 On Public Procurement, 2006, Article 5, Point 2.

³³ European Commission, 'Albania 2018 Report,' Commission Staff Working Document, 17 April 2018.

³⁴ Tuesday Reitano & Kristina Amerhauser, *Illicit Financial Flows in Albania, Kosovo and North Macedonia* (Global Initiative Against Transnational Organised Crime: Geneva), 2020, p. 17.

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GDI data collection for **Albania** was conducted August 2018 to September 2019. The narrative discussion in this GDI brief was produced at a later time with the most recent information available for the country, which may not be reflected in the GDI country assessments or scores.



ALBANIA 2020 GDI Scorecard

Grade Score

Political Risk		D	47
Q1	Legislative Scrutiny	B	67
Q2	Defence Committee	D	38
Q3	Defence Policy Debate	C	56
Q4	CSO Engagement	C	50
Q5	Conventions: UNCAC / OECD	B	75
Q6	Public Debate	E	25
Q7	Anticorruption Policy	C	50
Q8	Compliance and Ethics Units	B	75
Q9	Public Trust in Institutions	NS	
Q10	Risk Assessments	E	25
Q11	Acquisition Planning	D	42
Q12	Budget Transparency & Detail	B	75
Q13	Budget Scrutiny	C	63
Q14	Budget Availability	D	33
Q15	Defence Income	D	33
Q16	Internal Audit	D	38
Q17	External Audit	B	69
Q18	Natural Resources	B	67
Q19	Organised Crime Links	F	13
Q20	Organised Crime Policing	C	58
Q21	Intelligence Services Oversight	C	50
Q22	Intelligence Services Recruitment	E	25
Q23	Export Controls (ATT)	B	67
Q76	Lobbying	F	0

Financial Risk		D	38
Q24	Asset Disposal Controls	D	33
Q25	Asset Disposal Scrutiny	D	33
Q26	Secret Spending	E	25
Q27	Legislative Access to Information	E	25
Q28	Secret Program Auditing	F	13
Q29	Off-budget Spending	C	58
Q30	Access to Information	C	50
Q31	Beneficial Ownership	C	50
Q32	Military-Owned Business Scrutiny	C	50
Q33	Unauthorised Private Enterprise	E	25
Q77	Defence Spending	C	56

Personnel Risk		C	60
Q34	Public Commitment to Integrity	C	50
Q35	Disciplinary Measures for Personnel	B	75
Q36	Whistleblowing	D	42
Q37	High-risk Positions	C	58
Q38	Numbers of Personnel	C	58
Q39	Pay Rates and Allowances	A	100
Q40	Payment System	A	100
Q41	Objective Appointments	C	58
Q42	Objective Promotions	D	38
Q43	Bribery to Avoid Conscription	NA	
Q44	Bribery for Preferred Postings	B	67
Q45	Chains of Command and Payment	C	50
Q46	Military Code of Conduct	B	67

OVERALL COUNTRY SCORE

HIGH RISK



RISK GRADE

A • 83-100 **VERY LOW**
B • 67-82 **LOW**
C • 50-66 **MODERATE**
D • 33-49 **HIGH**
E • 17-32 **VERY HIGH**
F • 0-16 **CRITICAL**



Grade Score

Personnel Risk		C	60
Q47	Civilian Code of Conduct	C	56
Q48	Anticorruption Training	D	33
Q49	Corruption Prosecutions	D	33
Q50	Facilitation Payments	B	75

Operational Risk		F	15
Q51	Military Doctrine	F	0
Q52	Operational Training	E	25
Q53	Forward Planning	D	38
Q54	Corruption Monitoring in Operations	F	13
Q55	Controls in Contracting	F	0
Q56	Private Military Contractors	NS	

Procurement Risk		D	36
Q57	Procurement Legislation	D	38
Q58	Procurement Cycle	B	75
Q59	Procurement Oversight Mechanisms	D	42
Q60	Potential Purchases Disclosed	C	63
Q61	Actual Purchases Disclosed	C	50
Q62	Business Compliance Standards	F	0
Q63	Procurement Requirements	C	58
Q64	Competition in Procurement	D	38
Q65	Tender Board Controls	NEI	
Q66	Anti-Collusion Controls	C	58
Q67	Contract Award / Delivery	E	31
Q68	Complaint Mechanisms	A	83
Q69	Supplier Sanctions	C	50
Q70	Offset Contracts	F	0
Q71	Offset Contract Monitoring	F	0
Q72	Offset Competition	F	0
Q73	Agents and Intermediaries	F	0
Q74	Financing Packages	E	25
Q75	Political Pressure in Acquisitions	NS	

KEY

NEI Not enough information to score indicator
NS Indicator is not scored for any country
NA Not applicable



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