

THE CONGRESS OF LOCAL AND REGIONAL AUTHORITIES

Recommendation 468 (2021)¹ Monitoring of the application of the European Charter of Local Self-Government in Albania

1. The Congress of Local and Regional Authorities of the Council of Europe refers to:

a. Article 2, paragraph 1.*b.*, of the Charter of the Congress of Local and Regional Authorities appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulating that one of the aims of the Congress is “to submit proposals to the Committee of Ministers in order to promote local and regional democracy”;

b. Article 1, paragraph 2, of the Charter of the Congress of Local and Regional Authorities appended to Statutory Resolution CM/Res(2020)1, stipulating that “the Congress shall prepare on a regular basis country-by-country reports on the situation of local and regional democracy in all member States and in States which have applied to join the Council of Europe, and shall ensure the effective implementation of the principles of the European Charter of Local Self-Government”;

c. Chapter XVIII of the Rules and Procedures of the Congress on the organisation of the monitoring procedures;

d. the 2021-2026 Priorities of the Congress, in particular priority 6.b that concerns the quality of representative democracy and citizen participation;

e. the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda for Sustainable Development, in particular goal number 11, “Sustainable cities and communities”, and goal number 16, “Peace, justice and strong institutions”;

f. the Guidelines for civil participation in political decision making, adopted by the Committee of Ministers on 27 September 2017;

g. Recommendation CM/Rec(2018)4 of the Committee of Ministers to member States on the participation of citizens in local public life, adopted on 21 March 2018;

h. Recommendation CM/Rec(2019)3 of the Committee of Ministers to member States on supervision of local authorities’ activities, adopted on 4 April 2019;

i. the previous Congress recommendation on the application of local and regional democracy in Albania (Recommendation 349 (2013));

j. the explanatory memorandum on the application of the European Charter of Local Self-Government in Albania;

k. the contemporary commentary on the explanatory report to the European Charter of Local Self-Government adopted by the Congress Statutory Forum on 7 December 2020.

2. The Congress notes that:

a. Albania joined the Council of Europe on 13 July 1995, signed the European Charter of Local Self-Government (ETS No. 122, “the Charter”) on 27 May 1998 and ratified it in full on 4 April 2000. The Charter came into force in Albania on 1 August 2000;

b. the Committee on the Honouring of Obligations and Commitments by member States of the European Charter of Local Self-Government decided to examine the situation of local and regional democracy in Albania in the light of the Charter. Xavier Cadoret, France (L, SOC/G/PD), and Carla Dejonghe, Belgium (R, ILDG), have been assigned the task of preparing and presenting to the Congress a report on the monitoring of the application of the European Charter of Local Self-Government in Albania;

c. at the monitoring meetings, which took place remotely from 17 to 18 March 2021, the Congress delegation held discussions with representatives of various institutions at all tiers of authority. The programme of remote meetings appears as an appendix to the explanatory memorandum.

3. The co-rapporteurs wish to thank the Permanent Representation of Albania to the Council of Europe and all those with whom they spoke during the remote meetings for their assistance.

4. The Congress notes with satisfaction that in Albania:

a. substantial progress has been made towards securing local self-government since the adoption in 2013 of the last Congress recommendation on local and regional democracy in Albania, particularly thanks to implementation of the country’s 2015-2020 “National cross-cutting strategy for decentralisation and local governance”, which has been extended to 2022, and the ensuing reforms to the legislation on local self-government;

b. since the 2015 local self-government reforms and the 2017 local finances legislation came into force, local budgets have increased substantially, local authorities’ own resources have practically doubled and their self-funded investment has risen fourfold;

c. the consultative council established in 2016 has become the main forum for dialogue and consultation between central government and local authorities on all matters relating to local self-government;

d. the European Charter of Local Self-Government is taken into account by central and local government authorities;

e. Albania signed the Additional Protocol to the European Charter of Local Self-Government on the right to

1. Debated and adopted by the Congress on 28 October 2021, 3rd sitting (see Document [CG\(2021\)41-14](#), explanatory memorandum), co-rapporteurs: Xavier CADORET, France (L, SOC/G/PD), and Carla DEJONGHE, Belgium (R, ILDG).

participate in the affairs of a local authority (CETS No. 207) on 30 May 2016.

5. The Congress expresses concern, however, over the following points:

a. the transfer of powers from central government to the local authorities under Law 139/2015 has not yet resulted in a sufficiently clear allocation of functions between the central and local levels due to certain overlaps of responsibilities. The transfer of new powers to local authorities does not prevent central government from intervening in matters reserved for municipalities;

b. delegated powers are exercised under the close supervision of the various ministries concerned and local authorities' room for initiative is fairly limited;

c. municipalities, including the largest ones, still have insufficient financial resources to meet all their needs and allow them to perform all their devolved responsibilities in a fully satisfactory manner. There are major variations in local authorities' financial situations, resulting from differences in their tax-raising capacities and their ability to generate their own resources. Major investments are often concentrated in urban centres, to the detriment of rural areas, which also suffer from significant population loss;

d. human resources departments also continue to encounter problems, particularly in rural authorities. Some find it difficult to recruit the right staff, thus impeding still further local government operations;

e. the regional tier of government has not benefited fully from the local and regional reforms of recent years. In practice, the regions appear to be mainly one element of administrative decentralisation, with very limited scope for initiative. Moreover, the regional councils are not elected by universal suffrage but are composed of representatives of their constituent municipalities' elected bodies, which inevitably acts as an impediment to their full democratic legitimacy.

6. In the light of the above, the Congress recommends that the Committee of Ministers invite the Albanian authorities to:

a. continue the decentralisation process initiated by the 2015-2020 "National cross-cutting strategy for decentralisation

and local governance" and confirmed in the 2020-2022 action plan, in close collaboration with the local authorities, to secure a paradigm shift in which local self-government takes precedence over the centralising tendencies and behaviour that persist to this day;

b. continue to harmonise the legislation on the division of responsibilities between central and local authorities, particularly regarding water supply and sewage treatment, and extend municipalities' scope for initiative when exercising their delegated powers;

c. pursue the local finance objectives laid down in the "National cross-cutting strategy for decentralisation and local governance", namely by strengthening municipalities' powers to raise their own income and increasing the proportion of tax receipts allocated to local authorities and of unconditional transfers of funding, to increase authorities' financial independence;

d. revise the local government salary structure, particularly for small and medium-sized municipalities, and allow authorities more flexibility in managing their payroll so that salaries can be adjusted according to merit, thus increasing their ability to recruit and retain qualified staff;

e. develop the regional tier as an element of local self-government by enacting regional legislation specifying and strengthening regions' co-ordinating role in the economic development of their areas and clarifying their relationship with the four administrative regions provided for in Law 102/2020 on regional development and cohesion. Regional self-government and the legitimacy of this tier of authority should also be strengthened by establishing regional councils directly elected by universal suffrage;

f. ratify, in the near future, the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207), which Albania signed on 30 May 2016.

7. The Congress calls on the Committee of Ministers and the Parliamentary Assembly of the Council of Europe to take account of this recommendation on the monitoring of the application of the European Charter of Local Self-Government in Albania and its explanatory memorandum in their activities relating to this member State.