ALBANIA

Millennium
Development
Goals
Report

2005

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INTRODUCTION

In 2002, the Government of Albania with assistance from the United Nations Development Programme (UNDP) and the UN Country Team in Albania prepared "Albania National Report - On Progress toward Achieving the Millennium Development Goals."

The report represents the most comprehensive and cumulative effort of the Government to assess progress made towards achieving the Millennium Development Goals (MDGs) in Albania. The report summarizes the process of "Localizing the MDGs" which involved extensive consultation and consensus building with central and local government, civil society, the private sector, the media, the donor community, and other stakeholders. The major result of this process was a set of development goals, targets and indicators specific to Albania.

Since 2002, the National Strategy for Social and Economic Development (NSSED) has reported on progress made towards meeting agreed upon goals and targets. The National Strategy for Development and Integration (NSDI), the new central strategy of the Government of Albania, will also report on the MDGs. **This document is intended mainly as part of the 2005 NSDI 2005 Progress Report**. However, the information and analysis provided may be useful to those working in the area of poverty reduction as a multidimensional phenomenon, including government agencies, professors and students, civil society organizations, donor agencies, the media and others.

This report covers the period to the end of 2005. Past trends have been studied and prospects for meeting the MDGs by 2015 have been assessed. The methods of trend projection were complemented by expert assessment and desk review.

The report is structured as follows: A mini report for each MDG, followed by main findings and recommendations (except for MDG 8 – *Develop a global partnership for development*, which is monitored and reported on by the donor community).

The mini report for each MDG provides a "snapshot" of the goals, targets and indicators, and a table summarizing the historical data, the 2005 data and the target for the year 2015. The goals, targets and indicators are those included in the MDG 2002 Report. The analysis consists of: the prospect of meeting the MDG by 2015, the ambitiousness of the targets, and an assessment of monitoring systems to track progress on the MDG.

It is necessary to note that due to data scarcity and in some cases low quality of data, analysis is incomplete, and has not been provided for each and every target. This report does not provide in depth and comprehensive analysis and is intended to give a general overview of what is known.

MDG 1: ERADICATE EXTREME POVERTY, HUNGER AND OTHER DIMENSIONS OF POVERTY

Target 1: Halve between 2002 and 2015, the proportion of people living in extreme poverty
Target 2: Reduce between 2002 and 2015, the proportion of people who suffer from malnutrition
Target 3: Reduce unemployment, between 2002 and 2015, to reach EU standards
Target 4: Establish an open trading and financial system for inclusive economic growth
Target 5: Make information and communication technologies available
Target 6: Increase availability of electricity for all

The Government of Albania is committed to poverty reduction and recognizes that pro-poor policies are necessary to reduce widening economic and social gaps.

The following table provides a "snapshot" of poverty related indicators and respective data for 2002 and 2005[1] and the targets for 2015; there are yearly figures for unemployment rate.

MDG 1 – Indicators, and targets for 2015

Indicators	Source	2000	2001	2002	2003	2004	2005	2015[2]
Absolute poverty headcount rate (%)	LSMS			25.4			18.5	13
Extreme poverty headcount rate (%)	LSMS			4.7			3.5	0
Share of poorest 20% in national consumption (%)	LSMS			14			8.2	>13
Prevalence of underweight in children under 5 years (%)	LSMS						na	8
Unemployment rate (%)	INSTAT	16.8	16.4	15.8	15.0	14.4	14.1	10

Is Albania going to meet its poverty reduction targets?

Living Standard Measurement Survey (LSMS) 2005 data revealed significant progress towards poverty reduction that will allow Albania to meet its targets. The number of people below the absolute poverty line[3], fell from 25.4 percent of the population in 2002 to 18.5 percent in 2005. The percentage of the population living in extreme poverty – defined as those who have difficulty meeting basic nutritional needs – decreased from about five percent to 3.5 percent. The growth pattern has succeeded in pulling thousands of people out of poverty; roughly 235,000 out of about 800,000 poor people in 2002 were lifted out of poverty. Poverty reduction has been more significant in Tirana, in urban areas (compared to rural areas) and in mountainous areas (compared to coastal and central areas).

However, unemployment is still high and distribution has worsened. The consumption share of the poorest fifth of the population in the total national consumption in 2005 was four percentage points lower than in 2002; other measures confirm the trend of unequal distribution of poverty. Though decreasing, poverty appears to be affecting certain groups

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[1] Data comes from the Living Standard Measurement Survey(s) (LSMS), 2002 and 2005
[2] GoA, 2004, Albania National Report on Progress toward Achieving the Millennium Development Goals
[3] The poor are defined here as those whose real per capita monthly consumption is below Leke 4891 (in 2002 prices)

and regions more than others and there is a risk that exclusion could become a real problem. This would call for policies to address exclusion. Such policies may consider:

- Providing people with access to rights, resources, and opportunities which complement growth enhancing policies and focus on vulnerable groups (for example, those in disadvantaged areas, Roma and Egyptians, youth, vulnerable women); and

- Promoting and supporting an economy that combines social goals as well as the more traditional definitions of economic growth and private sector development.

During 2005, there was no notable improvement regarding either the availability of information and communication technology or power supply.

Are poverty reduction targets ambitious enough?

Albania is progressing quickly in reducing absolute and extreme poverty. It is quite likely that targets related to absolute and extreme poverty will soon become obsolete. However, the distribution problem calls or the introduction of new and *ambitious* targets related to relative poverty.

Is a monitoring system in place for tracking progress towards achieving poverty reduction targets?

There is no consolidated MDG monitoring system within Government institutions, which would include a database at the central level and assigned responsibility for methodological data collection and reporting. It is worth noting even where data exists, it is not easily accessible or available. Growing concerns over the unequal distribution of poverty call for a monitoring system that pays more attention to exclusion. The social inclusion crosscutting strategy, which is currently under preparation in the framework of the NSDI, is introducing a set of indicators borrowed from the European Union that will allow a closer look at the twin issues of poverty and distribution.

MDG 2: ACHIEVE HIGH QUALITY BASIC UNIVERSAL EDUCATION

Target 7: Ensure 100% primary school attendance of both boys and girls by 2015
Target 8: Implementation of measures to assure improved quality of primary education
Target 9: Approximation of financial indicators for primary education in line with OECD[4] countries

A country with universal primary education during its recent past, Albania is experiencing problems concerning enrolment and quality of basic education.

MDG 2 – Indicators, and targets for 2015

Indicators	Source	2000	2001	2002	2003	2004	2005	2015
Net primary education [1-4] enrolment rate (%)	INSTAT		92	92.5	94.0	95.0	89	100
Net basic education [1-9] enrolment rate (%)	INSTAT					93.0	94	100
Primary education [1-4] completion rate (%)	INSTAT			88		86	98	nd
Basic education [1-9] completion rate (%)	INSTAT			98	98	97	98	nd
Primary education [1-4] dropout rate (%)	INSTAT			2.0	2.0		0,5	0
Average number of years of schooling	INSTAT				10.5		na	>13,5

Is Albania going to meet its education targets?

The net enrolment ratio for grades 1 to 4 (89 percent) and grades 1 to 8 (94 percent) for 2005 show that Albania is not on track to meeting the MDG targets and corrective actions are needed. By contrast, the completion rate (in other words, the proportion of pupils who start grade 1 and reach grade 5) (98 percent) and the dropout rate (0.5 percent) in primary education are on track.

The problem of enrolment in primary education – the 2004 report highlights the same problem – calls for the need to address exclusion. This would require redesigning education service supply (schools, teachers) to meet the needs of both rural and urban areas following demographic and migration changes, and more importantly paying due attention to vulnerable groups, such as the poorest families, disadvantaged areas, Roma, and others.

There is no quantitative data on the quality of education in primary schools but anecdotal evidence suggests it is becoming an issue of real concern, especially in rural areas. Weak teacher accountability contributes to the problem and calls for further progress with decentralization reform.

The envisaged increase in public expenditure for education should be used to also finance teaching materials.

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[4] Organization for Economic Co-operation and Development

Are education targets ambitious enough?

Education targets are set at quite ambitious levels – universal enrolment and 13.5 years of average schooling. However, there are no indicators and targets for the quality of education. Designing and introducing *ambitious* indicators is necessary to address the issue of quality of education, for its own sake as well as for meeting EU integration requirements.

Is a monitoring system in place for tracking progress toward achieving education targets?

A simple comparison between enrolment, completion and dropout rates reveals a data consistency problem. More in depth analysis is required regarding the reliability of data.

To address exclusion, an improved system of indicators to monitor the education system is needed. Collected data should be disaggregated to be able to monitor groups at risk of exclusion. As already stated, indicators that address the quality of education are necessary.

Improved coordination among institutions in charge of education statistics (INSTAT, the Ministry of Education and Science, and local and regional bodies) would contribute to an improved and more efficient monitoring system for the education sector.

MDG 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

Target 10: Eliminate gender disparities in primary and secondary education preferably by 2005

Target 11: Eliminate gender disparity in elected institutions and decision-making positions in central and local government

Gender inequality in terms of basic education, participation in politics, and employment in sectors other than agriculture still remain a problem in Albania.

The following table summarizes partial gender related data, including targets for 2015:

MDG 3: Indicators, and targets for 2015

Indicators	Source	2000	2001	2002	2003	2004	2005	2015
Ratio of females to males in primary education [1-4]	MES				0.94	0.93	0,93	1
Ratio of females to males in lower secondary education [5-8]	MES				0.92	0.94	0,94	1
Proportion of seats held by women in national parliament	Parliament	5.2	5.7	5.7	5.7	5.7	7.1	30
Share of women in non-agricultural paid employment (%)	INSTAT			32.6			32.4	50

Is Albania going to meet its gender equality targets?

Data reveals stagnation in terms of gender equality in basic education and confirms that Albania is not on track to meet basic education equality targets by 2015. The same analysis applies for employment of women in non-agricultural sectors.

Following the 2005 parliamentary election, the number of seats held by women increased slightly. However, current progress is not likely to ensure that the 2015 target of 30 percent female Members of Parliament will be met. Insufficient representation of women in politics as a gender issue has not yet become a public issue.

There seems to be insufficient public awareness to address the issue of girls not attending school. Discrimination still exists, especially in rural areas, towards girls who wish to attend school and no targeted programmes exist in rural areas to reduce inequalities.

Are gender equality targets ambitious enough?

Gender equality and empowerment targets are very ambitious. Some targets, such as the proportion of seats held by women in Parliament and the proportion of women in non-agricultural paid employment, are projected to be even higher than the EU average (24.3 percent and 45.3 percent for 2004)

Is a monitoring system in place for tracking progress toward achieving gender equality targets?

The system for monitoring gender equality targets is potentially in place. Data can be gathered easily from administrative systems and political institutions. However, the reporting system could be more efficient by making data available at end of year, and mid-year periods.

MDG 4: REDUCE CHILD MORTALITY

Target 12: Reduce the under-five mortality rate to 10/1,000 by 2015

Despite progress made, child mortality should always be paid due attention. Advocating for reducing child mortality focuses attention on the results of policies, programmes, and projects intended to improve child health and reduce infant and child mortality.

MDG4: Indicators, and 2015 targets

Indicators	Source	2000	2001	2002	2003	2004	2005	2015
Infant mortality per 1000 live births	MH		17,4	17.5	15.5	15.1	14.7	10
Under-5 mortality rate per 1000 live births	MH		20,1	20.1	20.7		18	10
Proportion of children vaccinated against measles (%)	MH		>95	95	94	96	97	95

Is Albania going to meet its child mortality reduction targets?

There is a clear downward trend in the infant mortality rate: from 17.5 per thousand live births in 2002 to 14.7 in 2005. If this rate of decrease is sustained, then the 2015 target will be achieved. The proportion of children vaccinated against measles has already exceeded the target, which is well above than the European average of 86.9 percent.

A decrease in the under-five mortality rate is not sufficiently rapid: from 20.1 per thousand live births in 2002 to 18 in 2005. At current rates, the target, which is well above the European Union level of 5.4, will not be met.

As far as the proportion of children vaccinated against measles is concerned, the target is already achieved, being even better than the European standard.

Are child mortality reduction targets ambitious enough?

It must be stressed that infant mortality targets are not ambitious enough, and far from the EU level. Any lower target would be desirable.

Is a monitoring system in place for tracking progress towards achieving child mortality reduction targets?

The monitoring system for tracking progress towards child mortality reduction is quite consolidated.

MDG 5: IMPROVE MATERNAL HEALTH

Target 13: Reduce the maternal mortality rate by half between 2001 and 2015

Maternal mortality still remains a problem in Albania, as suggested by historical data. Access to health care and quality of services are particularly important for maternal health, and women's health in general.

The following table summarizes information related to MDG5:

MDG5: Indicators, and 2015targets

Indicators	Source	2000	2001	2002	2003	2004	2005	2015
Maternal mortality per 100,000 live births	MH		22,7	25.9	21.3	12.0	23.2	11
Proportion of first prenatal visits by first trimester (%)	MH		41,7	42	47	47	43	70

Is Albania going to meet its maternal health improvement targets?

There is no clear trend in maternal mortality rates over time (12 per 100,000 live births in 2004 and 23 in 2005) but in general it is likely that the 2015 target will not be met, notwithstanding the fact that the target itself was set well above the EU level.

The proportion of first prenatal visits exhibits the same pattern of variation over time, putting in question whether Albania will reach the 2015 target (70 percent).

Are maternal health improvement reduction targets ambitious enough?

Maternal mortality targets do not seem to be *ambitious enough* for a country that aspires to EU membership; it should be noted that the target is quite far from EU levels. Agreeing on a new, more ambitious target will quite likely motivate more ambitious policies to progress faster towards the improvement of maternal health.

Is a monitoring system in place for tracking progress towards achieving maternal health improvement targets?

Though data on maternal health is easily gathered from the administrative health system and from statistical institutions involved in data collection, monitoring problems should be addressed in order to collect all the required data variables for a step by step tracking of the progress made towards achievement of the targets. Co-operation between various data collection systems is crucial in order to provide for high quality data in terms of accuracy and precision, as well reliability and time periodicity.

MDG 6: Combat HIV/AIDS and Tuberculosis

Target 14: Halt and reverse the incidence of the HIV/AIDS virus by 2015
Target 15: Halt and reverse the tuberculosis notification rate by 2015

Although Albania remains a low HIV/AIDS prevalence country, emigration and rapidly changing lifestyles call for diligent attention to HIV/AIDS. Tuberculosis (TB) notification and mortality rates are still high; halting and reversing the 2002 rate is the focus of the TB target.

MDG 6: Indicators and 2015 targets

Indicators	Source	2000	2001	2002	2003	2004	2005	2015
Adult (15-49) HIV prevalence rate (%)	MH				(185)*		<0.1	
Number of persons voluntarily taking an HIV test	MH				250	350	1,000	50,000
Tuberculosis notification rate per 100,000	MH			20**[5]	20	20	18	13
Tuberculosis mortality rate (%)	MH				4.5	3.5	3.5	2,5

* number of people affected **number of people notified of positive tuberculosis results in 2002 was 615

Is Albania going to meet targets in the fight against infectious diseases?

The adult HIV prevalence rate for 2005 is estimated to be less than 0.1 percent. The number of people voluntarily tested for HIV in 2005 (1,000 people) was well below the 2015 target. By contrast, the number of condoms being distributed is increasing rapidly.

Widening access to HIV testing is crucial, as well as improving infrastructure and training medical staff working outside of Tirana. Increased media involvement, improved sexual education, and intensified public awareness will help contribute to a more effective HIV monitoring system, as would improving the legal framework, and creating an information and management system.

As far as tuberculosis indicators are concerned, the notification and mortality rates are on track to meet agreed targets.

Are targets in the fight against infectious diseases ambitious enough?

The target for HIV/AIDS is sufficiently ambitious. However, the tuberculosis mortality rate could be more ambitious.

Is a monitoring system in place for tracking progress toward achieving the targets in the fight against infectious diseases?

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[5] MDG 2002 report: Between 1990 and 2002, the TB notification rate varied from 22 to 20

A monitoring system is already in place, though it needs to be strengthened and provide better territorial coverage; to a reasonable extent, the health system established across the country can monitor and detect these diseases. The lack of reliable information is mainly due to an absence of habit and culture of having regular visits at the respective testing points.

MDG 7: ENSURE SUSTAINABLE ENVIRONMENTAL DEVELOPMENT

Target 16: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

Target 17: Reduce the proportion of people without access to safe drinking water and proper sewage infrastructure

Significant losses in terms of forests and biological diversity were experienced during the transition to a consolidated market economy in Albania. Access to safe drinking water and sanitation deteriorated due to a rapid urbanization.

MDG 7:Indicators and 2015 targets

Indicators	Source	2000	2001	2002	2003	2004	2005	2015[6]
Land area protected to maintain biological diversity (%)	MEFWA			3.6	5.8	6.3	8.3	nd*
Land area covered by forests (thousand hectares)	MEFWA			991			1041	nd
Population with access to safe drinking water (%)	INSTAT			69.0	75.4		81.3	98
Population with access to improved sanitation (%)	INSTAT			63.8	68.3		na	95

*Not available **Non defined

Is Albania going to meet environmental sustainability targets?

Progress has been made towards increasing protected areas to preserve biological diversity. The total surface area of protected land has increased significantly in recent years, from 3.6 percent of the country's surface area in 2002 to 8.3 percent in 2005. Nevertheless, the size of protected areas remains insufficient to ensure effective conservation of the country's biological diversity. In addition, the biological integrity of existing protected areas is being compromised by illegal hunting, fishing and logging.

The total forest area has increased by 50,000 hectares between 2002 and 2005. In 2005, the total forested land area was 1.041 million of hectares, representing around 36 percent of the total country area. With the transfer of forest management to communes, illegal logging of forests has declined, although it still remains a problem. The Government intends to continue its policy of supporting community participation in forest and pasture management.

Access to safe drinking water has also improved. In 2005, 81.3 percent of the population had access in safe drinking water compared with 63.8 percent in 2002. The current trend suggests that Albania is on track to meet safe drinking water targets but the sector is suffering from the slow pace of reform.

[6] Government of Albania, 2004, Albania National Report on Progress toward Achieving the Millennium Development Goals

Air and water pollution remain a problem. Dust particles in the air are 2.5-3 times higher than European standards. Water pollution from urban liquid waste, mainly in the Adriatic Sea, represents a major problem.

Are environmental sustainability targets ambitious enough?

There are no targets set for protected land area for biological diversity preservation or for forested land area. Albania should set targets for protected areas in such way that conservation of biological diversity is ensured. Albania is interested to set ambitious targets regarding forested area for many reasons, including the economic opportunity associated with carbon credit trading[7].

Is a monitoring system in place for tracking progress towards achieving environmental sustainability targets?

There is a consolidated administrative monitoring system for protected areas and forested areas. By contrast, the administrative system to monitor access to safe drinking water and sanitation is quite weak, especially for rural and suburban areas. It is based on the Living Standard Measurement Survey and access to the data proves to be difficult.

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[7] A country can sell the difference between "carbon sequestration" through forestation and "carbon emission" related to economic activity.

MDG 9: ESTABLISH AND STRENGTHEN A GOOD GOVERNANCE PROCESS

Target 19: Reform overall state systems of public administration, legislation and policies in accordance with EU standards of justice, rule of law, and market economies by 2015

The process "Localizing the MDGs" in Albania resulted – quite naturally – into a ninth national MDG: "Establish and strengthen a good governance process."

The following table provide a "snapshot" of the governance indicators as measured by World Bank Institute for year 2002 and 2005; and targets for 2010 and 2015.

MDG 9 – Indicators and targets

Indicators	Source	Baseline 2002	2005	Targets		EU-15 average for 2002
				2010	2015	
Voice and accountability	WBI	44.9	49.8	65	81	90.3
Political stability	WBI	25.5	27.4	60.5	71	84.6
Government effectiveness	WBI	36.8	35.9	57.7	76	90.3
Regulatory quality	WBI	41.4	45	63.2	83	90
Rule of law	WBI	16.8	21.2	56.5	74	89.3
Control of corruption	WBI	23	27.6	54.7	73	89.2

Source: World Bank Institute. Higher values imply better governance ratings.

Is Albania going to meet good governance targets?

Albania has made slow progress toward improving its system of governance as shown by the six indicators measured by World Bank Institute. Data for 2005 shows that governance indicators in Albania fall far below the average of South Eastern Europe, while four out of six indicators, including rule of law and control of corruption, fall below the average for countries with a similar income.

The pace of improvements to governance shows that Albania is not going to its targets. Faster progress calls for deep reform of public institutions, also necessary to comply with European integration.

Are good governance targets ambitious enough?

Governance targets for the years 2010 and 2015 that represent the average level of governance for Eastern European countries, and the minimum level of governance for EU-15 countries in 2002 are considered to be too ambitious. Data from 2005 shows that an exponential trend is necessary for Albania to meet its improved governance targets.

Is a monitoring system in place for tracking progress towards achieving governance targets?

The World Bank Institute measures progress towards improved governance every two years. Albania does not have a governance monitoring system and there is a need to develop a system of governance indicators – second tier indicators[8] -, related data sources, and institutional responsibility to measure governance every year. The system of governance indicators should be specific and sensitive to policy actions in the short term. Such a system would put the focus on results and would also facilitate communication with the European Commission.

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[8] Second tier with respect to six indicators of World Bank Institute mentioned in the table MDG9

MAIN FINDINGS AND RECOMMENDATIONS

In summary, analysis – though far from being exhaustive – reveals the following:

– **Progress towards meeting MGD targets during 2005 is quite mixed.**

  While there is significant progress towards income, unemployment is still high and income distribution is becoming more uneven. The same mixed picture is observed for education, gender, child mortality, maternal health, and the environment; for these goals, some targets will be met and others not. Data from 2005 clearly shows that an exponential trend is necessary for Albania in 2006 to meet its improved governance targets.

– **Exclusion could become a real problem unless analysed and addressed.**

  Both income distribution and net education enrolment are showing that social exclusion is affecting Albania. A significant portion of the Albanian population does not have sufficient access to rights, resources and opportunities.

– **Data needed to analyse progress towards MDGs is not easily available, even when it exists.**

  Although a significant amount of data and information originates from public institutions, it is often not easily available. Transparency is insufficient and the potential for Information and Communication Technology is strikingly under exploited. This leaves data and information users (universities, civil society, other researchers) without the raw material necessary for analysis, public debate and education.

Poverty – defined as a multidimensional phenomenon – remains a concern for Albania. This is clearly recognized by the Government of Albania in the new National Strategy for Development and Integration (NSDI).

Therefore, the following recommendations may be considered:

– **The NSDI should take the MDGs into consideration as a multi-dimensional approach to poverty reduction.**

  It is important that the NSDI take the MDGs into consideration from the outset and not as an artificial *add on*. The MDG approach calls for long-term planning, consensus and alliance building and political commitment towards a nationally owned development agenda.

– **The NSDI should address social inclusion.**

  The NSDI should address social inclusion. Exclusion could become a problem and addressing it is also a priority for EU integration. Analysing exclusion and designing social inclusion policies should be part of the current NSDI.

- **The Government (Department of Strategy and Donor Coordination (DSDC)) may consider investing in capacity upgrading in terms of data collection and analysis.**

  A methodological MDG data collection system should replace the current *ad hoc* collecting when the progress report is being prepared. Thematic analysis should also take place throughout the year. It is important that ownership regarding data collection and analysis belong to the Government. This would require capacity upgrading in terms of data collection and analysis.

  In order to order to make use of research resources already available outside Government institutions (civil society, universities, etc.), the DSDC may consider an easy data availability policy both at the level of the DSDC itself or at the level of each affected public institution.

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