Case Study
Albania

EVALUATION OF THE NATIONAL HUMAN DEVELOPMENT REPORT SYSTEM

HUMAN DEVELOPMENT

By Oscar Yujnovsky and Manuela Mece
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### Acronyms

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<th>Acronym</th>
<th>Definition</th>
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<tr>
<td>DPA</td>
<td>Democratic Party of Albania</td>
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<td>EU</td>
<td>European Union</td>
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<td>HD</td>
<td>human development</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<td>HDPC</td>
<td>Human Development Promotion Center</td>
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<td>HDR</td>
<td>human development report</td>
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<td>INSTAT</td>
<td>National Institute of Statistics (Albania)</td>
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<td>MDG</td>
<td>Millennium Development Goal</td>
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<td>NGO</td>
<td>non-governmental organization</td>
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<td>NHDR</td>
<td>national human development report</td>
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<td>NSSED</td>
<td>National Strategy for Social and Economic Development</td>
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<td>RBEC</td>
<td>Regional Bureau for Europe and the CIS</td>
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<td>SEDA</td>
<td>Sustainable Economic Development Center</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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Executive summary

A southern Balkan country with a population of 3 million, Albania has made much progress in its transition into a political democratic regime and a market economy, and in re-establishing relations with the world after many years of isolation. As in other countries in southern Europe, Albania’s first national human development report (NHDR) was published in 1995. The last NHDR was published in 2005, completing a series of six reports. The contents of Albania’s NHDRs mirror the evolution of the transition. The 1998 report was an outstanding piece insofar as its analyses of the events in 1997, which was the most difficult year of the transition. Once the country overcame the difficulties of this year, the following reports dealt with priority topics, namely, loss of population and demographic movements, decentralization and local governance, and pro-poor and pro-women policies.

The NHDRs were prepared by essentially the same team of authors up to 2002. Although UNDP subcontracted the production of the NHDR to an academic non-governmental organization (NGO) to lead the process in 2002, the previous team of authors continued to remain involved. This modality was maintained for the last 2005 report, with another NGO assuming the lead. The production process always involved extensive participation by other internal and external organizations and individuals who provided information, advice, peer review and institutional support. This participatory process of preparation contributed to the development of the debate on human development (HD) through consultations, workshops and seminars. The 2002 NHDR was the first edition for which human development indicators were calculated at the national and sub-national levels. The 2005 NHDR also presented disaggregated HDIs. These helped the reports increase awareness on HD, a result that was reinforced by increased communication campaigns and coverage by the mass media. Dissemination of the reports also included previous training of journalists and follow-up activities in interior cities and towns.

Albanian NHDRs have helped disseminate HD ideas and alternative approaches to the prevailing notion of economic growth, shifting the focus to the individual as the centre of development. The reports contributed to the introduction of a multidimensional concept of poverty, promoted thinking in terms of population in a territory – regional development and decentralization, and gender equality. While the initial issues covered by NHDRs were more analytic, the later reports raised awareness on specific priority issues and attempted to influence policy-making. In fact, the reports did influence government policy and helped strengthen the position of NGOs vis-à-vis government and donors. As a consequence of the 2005 report, the issues of poverty and gender inequality were intensely discussed during the parliamentary electoral campaign.

The 2002 NHDR influenced national strategy on decentralization and local governance. The government incorporated the framework in the updated version of the National Strategy for Social and Economic Development (NSSED) in 2003. NSSED is the government’s long-run development strategy, similar to a Poverty Reduction Strategy...
Paper. Also, the government and UNDP tied the findings of the NHDR to the Millennium Development Goals (MDGs) by completing a series of localized MDG reports, one for each Albanian region. Furthermore, the government allocated funds so UNDP could implement an area-based development programme in Kukes, which showed the lowest HDI in the country.

Albanian NHDRs have also contributed to strengthening technical and NGO networks in Albania. Apart from being used by private business and in research, they helped create capacity at the Institute of Statistics and widened accessibility to information by researchers, professionals and the public in general.
Introduction

This report on Albania forms part of the Assessment of national human development reports (NHDRs) commissioned by the UNDP Evaluation Office (see Terms of Reference and the methodological framework in Annex II). The assessment addresses two main questions:

- Are NHDRs effective vehicles to promote human development (HD) approaches in Albania?
- What contributions have the NHDRs made in Albania?

UNDP started advocacy on the HD paradigm in Albania in 1990 through the global development reports, to coincide with the start of the transition of Eastern European and CIS countries from authoritarian communist regimes to pluralist democracies and from centrally planned economies to market economies. Albania traversed also a third transition from total isolation to a country open to the world. Since 1995, responding to a policy directive from UNDP headquarters’ Regional Bureau for Europe and the CIS (RBEC), UNDP programme countries in the region initiated production and dissemination of NHDRs. The policy was intended to help advocate HD in relation to the processes of transition. In this manner, NHDRs added value to HD advocacy by concentrating on the specific characteristics of transition countries.

The analysis of the process and influence of NHDRs in Albania was undertaken considering the political, economic and social context of transition. Human development indices (HDIs) did not play a major role in Albania until 2002; the 2002 and 2005 NHDRs published disaggregated HDIs. It is important to ascertain to what extent NHDRs have helped identify the causes of lowering or lagging HDIs and what influence the policy proposals might have had in Albania.

The analysis does not look at individual reports but examines NHDRs as a system, except for particular reports issued at specific political or economic crossroads.

This assessment is based on the following sources: (a) Preliminary Assessment Report written in June 2005 prior to a field mission to Albania; (b) 18 interviews with political leaders, government officials, members of non-governmental organizations (NGOs) and academic groups, and donors, which were conducted in late October 2005 during the course of a short mission (five days) to Tirana. One half of the interviewees comprised authors of NHDRs and UNDP staff, while the other half allowed some triangulation to check responses (see Annex I); (c) desk review of documentation including Albania’s NHDRs; and (d) information from websites.

As foreseen in the methodology, the main tool for gathering information was via interviews.
The report is organized as follows: Section 1 presents an overview of the country’s recent political, economic and social contexts. Sections 2 and 3 describe the Albanian system of NHDRs and its trajectory, structured according to the main topics of the Terms of Reference. Section 4 discusses the lessons learned through the Albanian experience. Section 5 presents some conclusions.
1. Country context

Albania has a population of 3.2 million, 46 percent of which lives in urban areas (2004), and is located in the western part of the Balkan Peninsula. It borders the Federal Republic of Yugoslavia (Serbia and Montenegro) to the north and northeast, the former Yugoslav Republic of Macedonia to the east, and Greece to the southeast. Albania’s western coast faces the Adriatic and Ionian Seas. Much of the country’s 28,748 square kilometres is mountainous.

Albania’s HDI is 0.780 and it was ranked 72nd among 177 countries in 20031, signifying a middle level of HD. Albania’s cumulative growth since the fall of the communist regime in 1990 has been impressive and among the highest of all transition economies. Yet, the country remains one of the poorest in Europe, with a GNI per capita of US $2,060 in 2004.

Albania has made significant progress since its transition from a communist regime toward a market-based economy. In 1985, Ramiz Alia, of the then Albanian Workers Party, replaced the dictator Enver Hoxha. The transition started in 1991 after elections were held and the Albanian Workers Party, which changed its name to the Socialist Party of Albania, won. The election results were contested by the first opposition party, the Democratic Party of Albania (DPA), which had won 38 percent of the votes. In newly organized elections held in March 1992, the DPA with its leader Sali Belisha won a landslide electoral victory. The new government started dismantling of the centralized economy through privatization and economic deregulation. Between 1989 and 1992 the economy declined sharply. Factories began to close and production levels dropped among those that stayed open. However, GDP grew by 11, 7 and 6 percent in 1993, 1994 and 1995 respectively, while inflation plummeted from a yearly average of 226 percent to 7 percent. By the mid 1990s, the State controlled only 40 percent of the total economy.

This first period of economic growth soon proved problematic since it was based on contingent economic factors rather than on institutional and societal reform. The government showed increasing authoritarian tendencies that emerged clearly in 1996 when the DPA obtained an absolute majority of votes in an election that was strongly contested by the opposition and independent observers. The following two years saw a climate of political instability and large-scale civil unrest, particularly after the collapse of fraudulent pyramid dealings that wiped out the savings of thousands of people in 1996 and early 1997. Elections in June and July of that year brought the Socialist Party back to power.

Between 1998 and 1999, Albania had to cope with a massive influx of refugees from Kosovo. On 24 March 1999, following the failure of the Rambouillet peace talks, NATO began air strikes against the Federal Republic of Yugoslavia and thousands of

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refugees fled from Kosovo to Albania to escape conflict. By June 1999 the number of refugees had reached 460,000. The consequences to the economy were severe and Albania continues to struggle with a number of serious difficulties to this day.

The Albanian economy has still not replaced the loss of industries and jobs that occurred during transition, partly as a result of a high rate of emigration and internal migration from rural areas to the cities. However, the migration flow has now reduced because of the low absorption capacities of Tirana and Durres (two industrial areas of the country), reduction of sources for covering cost of movement from remote areas toward Tirana, rising housing prices, law enforcement for impeding illegal settlements, etc. Tirana has more than doubled its population in 10 years. There exists a great socio-economic divide and social exclusion, health and social service systems have deteriorated and supply of electricity is limited throughout the country.

Since 1997, political life in Albania has been characterized by the clash between the major parties. This divide became even more pronounced after the elections of October 2000 that were won by the Socialist Part, which secured 42.9 percent of the total votes, giving it control over 80 percent of the municipalities. A new constitution entered into force in November 1998, ratifying Albania as a parliamentary democracy based on the principle of separation of powers. The President of the Republic is the Head of State, elected by the Parliament to a five-year term. The President appoints the Prime Minister.

The divide between the parties continues, although both back as a priority Albania’s accession to the European Union (EU). In January 2002 the opposition ended a boycott to parliamentary elections. In July 2002 Fato Nano, the chairman of the Socialist Party, replaced Pandeli Majko as Prime Minister. That year saw three persons succeeding one another as Prime Minister. However, the parliamentary elections of December 2003 and the election of July 2005, which was won by the DPA led by Sali Berisha, were considered fair and free by independent observers.

Regarding the economic situation, after 1997 the country restored macroeconomic stability and put structural reform back on track. It achieved sustained, strong economic growth, while containing inflation despite a setback in 2002 resulting from a crisis in the electricity sector and floods. After this slow-down, growth recovered to 6 percent in 2003 and 2004. Export growth accelerated, tourism increased and production of services and construction went up. Monetary and financial policies curbed inflation (2-4 percent annually since 2002) and spurred credit to the private sector. The fiscal deficit declined from 8.5 percent of GDP to 5.2 percent in 2004. The trade deficit remains high (21 percent of GDP) and is mainly financed through remittances from abroad (14 percent of GDP) and limited foreign direct investment (3 percent of GDP).

Despite economic growth in recent years, Albania remains one of the poorest countries in Europe. The percentage of population below the poverty line is 25.4 percent (or 780,000 people) and about 3.7 percent live in extreme poverty, which is defined as the inability to meet food requirements (Living Standards Measurement Survey, 2002). Poverty is higher in rural and especially in mountainous areas, at 29.5 percent and 44.5
percent respectively. This is mainly due to the limited incomes generated by small, fragmented agricultural holdings; an underdeveloped land market, traditional methods of agricultural production; and poor transportation access to markets. Albania’s competitiveness is hampered by pervasive poverty, weak governance and structural bottlenecks in the infrastructure sectors.

As in other Central and Eastern European countries, both the people and political leaders in Albania wish for accession to the EU. This is a key external factor in the country’s transition process, since accession requires compliance with EU requirements in terms of legal frameworks and democratic institutions, which are closely monitored. For example, the requirements include fair and free elections, ensuring human rights and eradication of official corruption. Given the progress made by Albania, in January 2003 the EU formally agreed to start negotiations for a Stabilization and Association Agreement and finally a Stabilization and Accession Process was signed, which requires commitment to further reform for future accession to the EU and participation in regional cooperation.
2. The Albanian system of NHDRs

Although the first NHDRs were produced in four developing countries in 1993, the countries of Central and East Europe and the countries of the former Soviet Union started their series only in 1995. This stemmed from a general policy established by the UNDP headquarters’ RBEC that emphasized advocacy of HD in the transition, and promotion of development services. It must be taken into consideration that RBEC, a new Bureau, began establishing offices and programmes in the Central and Eastern European and CIS states in 1992. Initially, the country offices had sparse UNDP financial resources. The RBEC Regional Support Centre was established in Bratislava only in 1997.

Since 1995, six NHDRs have been produced in Albania. For the first NHDR, UNDP used experts related to two government departments to coordinate the work. In 2002, UNDP subcontracted the Human Development Promotion Center (HDPC), an Albanian NGO, to lead the preparation of the report and integrate the work of experts from other organizations. However, the same core team of experts continued to be involved in the production of the first five editions of the report from 1995-2002. The Sustainable Economic Development Center (SEDA) won the UNDP bid to coordinate the 2005 edition with a different team of authors. During the whole period, UNDP assumed responsibility for the dissemination and follow up of the report.

<table>
<thead>
<tr>
<th>Year</th>
<th>Albania's NHDRs</th>
<th>Main topics</th>
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<tbody>
<tr>
<td>1995</td>
<td>Albania NHDR</td>
<td>The transition towards a modern and open society following democracy and human rights cannot be reversed. However, sustainable HD must be followed at the country level in order to overcome problems such as poverty and environmental degradation.</td>
</tr>
<tr>
<td>1996</td>
<td>Albania NHDR</td>
<td>Analysed the concept of sustainable HD, general trends and achievements; and social and economic disparities.</td>
</tr>
<tr>
<td>1998</td>
<td>Albania NHDR</td>
<td>Dealt mainly with the difficult year of crisis, 1997; covered the economy, social cohesion and the transition process.</td>
</tr>
<tr>
<td>2000</td>
<td>Albania NHDR</td>
<td>Analysed economic and social insecurity; emigration and internal migration.</td>
</tr>
<tr>
<td>2002</td>
<td>Albania NHDR, ‘Challenges of Local Governance and Regional Development’</td>
<td>Presented sub-national HDIs and socio-economic trends at national and regional levels. The report focuses on the difficulties facing local governments in managing local development.</td>
</tr>
<tr>
<td>2005</td>
<td>Pro-Poor &amp; Pro-Women policies &amp; Development in Albania. Approaches to operationalizing the MDGs in Albania</td>
<td>Analyses of poverty and gender issues. Proposals for operationalizing the MDG goals 1 and 3 in order to achieve the goals and EU accession.</td>
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All reports are written in English and Albanian.
The first four NHDRs (1995-2000) were dedicated to the presentation of HD concepts and an analysis of Albania’s political, social and economic transition in relation to HD concerns. The 2002 NHDR focused on local governance and regional development and introduced calculation of HDIs at the national and sub-national level for the first time in the country. For its part, the 2005 NHDR concentrated on analyses of poverty and gender issues and put forth proposals for making the Millennium Development Goals (MDGs) operational in Albania.

UNDP utilized national expertise to produce the reports and since 2002, it has intentionally subcontracted independent NGOs to lead the technical process in order to empower national think tanks. The process involved the participation of some members of government (the national statistical institute, the department of the National Strategy for Social and Economic Development – NSSED), and incorporating broad participation of civil society and academia to ensure editorial independence. NSSED is the basic strategy document of mid- and long-term government policies (the Albanian version of a Poverty Reduction Strategy Paper). The first NSSED was prepared in 2001, and was called the Growth and Poverty Reduction Strategy Paper. The participation of the National Institute of Statistics (INSTAT) ensured access to data and promoted skills to utilize the statistics needed for HD analyses.
3. The trajectory of Albanian NHDRs

The contents of Albania’s NHDRs have been influenced by the country’s changing political scenario. The first NHDR was published in 1995, five years after the initiation of the process of transition and at the beginning of a decade of great political, economic and social transformations in Albania, which proved to be one of the most notable and turbulent periods in the history of the country.

“The expectations of a better life at the outset of the transition were enormous for Albanians, characterized as they were by a desire to become a country like the rest of Europe right away.”2

The dominant belief was that introduction of an electoral system, market mechanisms and privatization would have an immediate positive impact on economic growth and the well-being of the population. Based on the beliefs of politicians and the citizenry, the Albanian government introduced radical reforms. However, the transition proved to require more than simple changes to legal frameworks and the adoption of market mechanisms. The initial period culminated in the internal political and financial crisis of 1997-1998, an epoch of clashes and state instability that resulted in serious set backs to the achievements that had been accomplished.

The global human development report (HDR), which had initiated advocacy of the HD concept in 1990, published Albania’s HDI for the first time in 1993. Starting in 1995, Albania’s NHDRs joined the effort by presenting for the first time the conceptual framework of HD in a national report and analysing the transition, providing information on a wide range of topics. The first four NHDRs do not mirror the global HDR insofar as they do not calculate their own human development indicators such as the HDI.

Albania’s NHDRs illustrate the progress made since the overthrow of the communist regime, not only by the government, but also by the people as a whole.

“What used to be a country with totalitarian control of administration and political processes, of social and cultural aspirations, has achieved a massive transformation towards an open society, based on democratic principles and universal human rights”. The Albanian people “…have broken the walls of silence and isolation and have become…player(s) in the global community. Of the many new laws of Albania, the most important is the Bill of Human Rights, which guarantees the rights of fundamental freedoms in keeping with European standards…freedom of the press, of speech, of association, and of religion are now an organic part of life in Albania.”

According to the 1995 NHDR, Albanians have striven to build a country that respects the rule of law, that can provide for the main economic and social needs of the population.

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2 UNDP Albania, national human development report 2002, Chapter 1, p. 17.
and that enables its population to be both informed, as well as to participate in a process of public debate and nation-building. This transition towards a modern and open society following democratic principles and universal human rights cannot be reversed.

The reports cover such varying issues as employment and unemployment; poverty and social cohesion; emigration and sustainable development; family and violence; women in public life; information and role of the media; habitat as living space and the work environment; private property and restitution of property; food security; and human security.

As mentioned above, the contents of NHDRs have varied in accordance with changes in Albania’s political situation. One has to admire the stand taken by the 1998 NHDR. This report directly dealt with the difficult year 1997 and courageously incorporated the views of Albanian writers and intellectuals, who reflected on the volatile situation in the country resulting from a clash between the State and society, which caused chaos and violence – a situation in which there were no real winners. The intervention of European powers helped Albania restore an atmosphere in which a solution could be found and the majority of the citizenry finally voted in June 1997 in an election that put an end to the difficult situation. The 1998 NHDR reflects upon this trying Albanian juncture, and the participation of renowned figures such as the writer Ismail Kadare, generated interest and discussion.

The 2000 NHDR focused its analyses on the consequences of transition in terms of population movements, both emigration and internal migration from rural areas and small towns to the cities, particularly Tirana. The analysis was undertaken with rigour, relying on multiple national statistical sources, which provided a comprehensive picture of the demographic situation in the country. Albania lost more than 20 percent of its population via migration to other countries, particularly to Italy and Greece. Remittances from abroad are now an important source in the national income accounts. The 2000 report remains an important source for analytic studies and research in general on the issue of migration.

Like former reports, the 2000 NHDR criticized the type of laissez faire economic growth that took place in Albania during the transition for not benefiting the majority of the population. At the same time, the report emphasized the lack of democratic institutions (non-efficient judiciary and public administration, and corruption), problems in the health and education sectors, drugs and crime.

“After 1990, the Albanian citizen acquired a number of fundamental rights and the country took a series of important steps towards establishing democratic institutions. But, the polarization of political life and attitudes, adversarial politics, the lack of dialogue and the promotion of a culture of intolerance have impeded stability in the country and promoted insecurity among its citizens…There seems to be no social contract between the government and the citizens.”

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3 Albania NHDR 2000: Population Movements Under the Lens of Human Development,
Albania is still a highly centralized country. However, the new constitution of 1998 incorporated decentralized local governance. In the same year, Albania became a signatory to the charter of local governance of the Council of Europe as part of the efforts to improve its institutional framework to achieve European standards. In 1999, the National Strategy on Decennial and Local Autonomy was approved, and the Law on Organization and Functioning of Local Governments was passed in 2000. A new administrative subdivision of the country was introduced, reducing the former 36 districts to 12 regions corresponding to 12 elected councils and 12 prefects that are appointed by the central government. In 2002, UNDP started the Local Governance Programme, which was aimed at strengthening the process of decentralization and to nurture democratic systems of local governance as the institutional basis for equitable development.\(^4\) In this context, UNDP launched its fifth NHDR (2002), which “focuses on the difficulties facing local governments in managing local development in the public interest. It also analyses the lessons learnt from past unsuccessful attempts at integrating regional development initiatives to in a national development framework.”\(^5\)

The 2002 NHDR also made the first attempt at calculating the HDI and other indicators at the national and sub-national levels (prefectures and districts) to improve the analysis of the past decade of transition to a market economy, focusing on the difficulties facing local governments in managing local development in the public interest. The indicators revealed substantial differences in the level of HD among the various regions of the country, with the highest levels found in the prefectures of Tirana and Fier. The report also analysed the lessons learned from past unsuccessful attempts at integrating regional development initiatives into the national development framework. Although the legislation on decentralization and local governance is almost fully enacted, implementation has fallen behind. There is little correspondence between the objectives of local government reform and the actual support given to the various regions. Fiscal decentralization has been largely ignored as an instrument of local development. In sum, regional development is a new concept for Albania.

The 2002 report did not stop at diagnostics since it provided some strategic proposals to address the development imbalances that have arisen among regions over the past decade. The fifth NHDR covered a priority issue linked to EU accession requirements and was closely related to a major UNDP programme in this area supported by various donors.

The NHDR is increasingly seen as a document that highlights and explores issues relating to critical HD concerns in order to raise the level of debate – which it has succeeded in doing. Both the 2002 and 2005 reports were produced when Albania had started on a constructive path. As such, they differ from the earlier NHDRs in that they focus on specific themes that are important HD issues for advocacy. Secondly, there was a strong emphasis on participatory preparation, and in implementing a strategy of dissemination and communication by working directly with the media. Thirdly, both

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\(^4\) The project has several financial partners, namely EU, NORAD, SIDA, Austria, Italy, Region Lazio, AG Fund and Soros Foundation.

\(^5\) Source: http://hdr.undp.org/reports/detail_reports.cfm?view=702
reports present human development indicators at both the national and regional levels, which has raised the level of interest and awareness.

The last Albanian NHDR was published in March 2005. The country has experienced economic stability and growth for several years. UNDP, together with other donors, has helped the government upgrade its former Growth and Poverty Reduction Strategy into a broader strategy – the NSSED. The MDGs provided the 2003 NSSED progress report with a focus on Albania-relevant MDG targets and benchmarks, and a common baseline map. MDGs were again integrated into the October 2004 progress report on the implementation of the Strategy, turning it into a HD policy-making document. UNDP and other UN agencies provided technical support to the NSSED department in the preparation of the NSSED, with work involving participation of local governments, civil society organizations and the private sector.

In 2004, UNDP requested Dr. Ylli Çabiri, chairman of the HDPC and a former coordinator of NHDRs, to prepare an “Albania National Report on progress towards achieving the Millennium Development Goals.” In 2004, UNDP began preparation of the 2005 NHDR. This report was dedicated to two critical issues: poverty reduction and gender. The aim was to enrich NSSED with innovative pro-poor and pro-women’s policies, programmes and projects at the national and local level, actions that would also help Albania’s efforts toward EU integration. Thus, the 2005 NHDR is seen as complementary and supportive of national initiatives. The report went beyond the government sphere; it was also directed towards action by civil society at large. The report introduced for the first time the calculation of the Human Poverty Index in both versions (HPI-1 and HPI-2) at the both the national and regional levels. While the issue of poverty has been at the centre of national development policies and strategies, women’s development has not received the same level of attention. The situation and social position of women in Albania has not changed markedly over the past decade, and there are drastic inequalities regarding women. The 2005 NHDR was the first time an Albanian NHDR dealt explicitly with the topic. The report examined future prospects for reducing poverty and promoting a more women friendly development path.

3.1 The strategic positioning

The strategic position of NHDRs depends upon how Albanian and external actors view UNDP – whether they regard it as an impartial UN body able to engage in policy dialogue, participate on an equal standing with major stakeholders and mobilize resources, and having the managerial capacity to efficiently implement development programmes and projects. It is important how UNDP is regarded by its potential partners – international financial organizations, EU, which is a critical international partner in the context of Albania’s ambition for full membership in the EU, and bilateral powers that have a stake in the Albanian transition.

In this respect, the 2004 Country Programme Assessment found that UNDP improved its position compared to past years, making a significant contribution to
national development results during the implementation of the second country cooperation framework (2002-2005) through a combination of direct support at the local level as well as strategic interventions at the centre. In this way, UNDP gained increased visibility since the first country cooperation framework was finalized in 2001. The 2002-2005 country cooperation framework addressed the move from a situation of crisis to one of stability, including an effort to promote and utilize the MDG approach, which established UNDP as an important development player in Albania.

Global advocacy of HD since 1990 changed how UNDP was perceived by civil society organizations and other UN agencies, particularly those related to humanitarian assistance, insofar as UNDP was no longer considered as merely a provider of technical assistance.

NHDRs were well received by the country leaders. The first edition (1995) carried a foreword by Sali Berisha, the then President of the Republic (and present Prime Minister), who thanked the UN Coordinator of the UN system and the UN System agencies in Albania for their valuable support and leadership in the production of the report. He expected NHDRs to be published annually, and to influence policy dialogue and be a positive instrument to determine strategies and priorities. The 2005 NHDR was introduced by Mr. Alfred Moisiu, President of Albania, who underlined that Albania was a signatory to the MDGs and welcomed new initiatives, particularly in the north of the country, to fight poverty and empower women.

3.2 The production process

UNDP relied on Albanian expertise to produce the NHDRs. For the first few issues, UNDP prepared the Terms of Reference for the team leader who, in consultation with the country office, prepared the Terms of Reference for other members of the team. The country office selected the theme of the report and a discussion was held on the various chapters incorporating proposals by the experts. UNDP assumed the tasks of organizing and printing the material. Since 2002, the process of preparation has been outsourced, including design, printing and related details. This modality released the UNDP from management details and allowed it to focus on providing advice and on the overall coordination and supervision of the process. In the case of the first 1995 edition, the team of authors was composed of two members of the Department for Economic Development and Coordination of Foreign Aid (UNDP’s counterpart in the government), two members of INSTAT, and four professionals and intellectuals. The statistical data were drawn mainly from the databases and materials of INSTAT. Several ministries also provided information.

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7 In May 2004, based on the success of utilizing and operationalizing the MDG approach, UNDP Albania decided to realign its programmes in accordance with their relevance to and relationship with the promotion of the MDGs. Three clusters were introduced, namely (a) MDG enabling environment cluster; (b) substantive programme cluster with presence at the local level; and (c) advocacy and partnership cluster. See UNDP Albania, CCF 2006-2010, draft.
In the period 1995-2002 (five reports), the NHDR team was headed by Dr. Illi Çabiri, a former Minister of Trade and consultant to UNDP. For the 2002 edition, UNDP subcontracted the HDPC (chaired by Dr. Çabiri) to lead the preparation of the report, but this different institutional arrangement did not affect the continuity of experts in the core team.8

There was a change of partners and authors for the last report (NHDR 2005). Through bidding, UNDP engaged SEDA to coordinate the preparation of the report. SEDA worked in conjunction with the Gender Alliance for Development Centre (former Women’s Center), and the governmental department of NSSED.

The core team of NHDR authors was composed of seven to eight experts. However, they received contributions and special studies from several individuals and organizations, as well as information from various ministries and government departments, and inputs from UN agencies, EU, Council of Europe, the European Bank for Reconstruction and Development, and the Bretton Woods Institutions. Embassies of bilateral donors located in Tirana also participated in the discussions. The UNDP Directorate of Eastern Europe (later RBEC) shared experiences, provided assistance and helped to launch the report.

The participation of government created ownership and involvement of officials in the problem areas of HD and promoted thinking on policy alternatives. This participation of government did not constrain the intellectual independence of the reports insofar as other organizations (academic centres and NGOs) were also participants. The government participated in intense debates and had to present its case in order for the team to reach a consensus.

Despite being led by different academic centres, the last two NHDRs did not differ in terms of institutional participation. Their outlines were compiled based on discussions during stakeholder roundtables. The draft reports underwent several UNDP internal reviews. Several interviewees emphasized that participation was higher for the 2002 NHDR, which included an extensive peer review including reviews from RBEC, the Human Development Report Office, the Sub-Regional Resource Facility HDR network, and the Bratislava Regional Centre as well as many other international and Albanian experts and institutions. The United Nations Department of Economic and Social Affairs and the Bulgarian Institute of Statistics provided technical support for the 2002 NHDR. A Bulgarian expert from the Bulgarian National Statistics Institute engaged by UNDP Albania assisted the authors in the calculation of sub-national human development indicators, transferring the Bulgarian experience.

Several interviewees mentioned the importance of extensive consultation and participation, particularly in the production of the 2002 NHDR on decentralization and local governance, which ensured criticism by the opposition and stakeholders. Thus, the process ensured consensus-building and trust from stakeholders.

8 Dr. Ylli Çabiri (HDPC), Milva Ekonomi (INSTAT), and Remzi Lani (UNDP).
In the case of the 2005 NHDR, an innovation was introduced by presenting the draft for discussion in roundtables in the town of Korça during UN poverty week (October 2004). These roundtables were attended by the rector of the university, the dean of the School of Economics, local officials and directors of primary schools. The actual launch took place in March 2005.

The first three NHDRs relied on data from secondary sources. The 2000 NHDR was the first edition to also use the results of a survey of households conducted by INSTAT in October 1998, and a selected survey of private and state institutions, business associations, banks, business consultancy firms and the donor community conducted by the Human Development Promotion Centre in 1999.

The 2002 NHDR was the first report for which HD indicators were calculated at the national and sub-national levels. This exercise was helped by the availability of data from the 2001 census that allowed calculation of GDP for first time in the country. This calculation of HD indicators was related to the topic chosen for 2002 edition, namely, decentralization and local governance. The HDI calculation was applied at the prefecture and district levels. The report presents maps showing the regional distribution of indicators. The same classification by regions was carried out with the Gender Development Index. The ranking according to this Index is the same as the ranking according to HDI, or a bit lower.

The 2005 edition also presents calculation of the major HD indicators plus the Human Poverty Index. This time the calculation was based on sample survey data on the geographic areas selected by the Living Standards Measurement Survey indicated earlier, which is the source of data. Given the different methodology, the estimates cannot be strictly compared to the data presented in the former edition, unless careful consideration of statistical estimations is made.

The costs of NHDRs were US $123,000 for the 2002 edition and US $100,000 for the 2005 edition, both financed by UNDP. The 1995 NHDR received financial support from the Japanese Government and the UNDP-Sweden Trust Fund.

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9 The report includes the following indices: HDI calculated at the national, prefecture and district (local) levels; GDI and GEM calculated at the national and prefecture levels; HPI-1 calculated for the nation; and an index of technological achievement. The estimates should be viewed with prudence given the limitations arising from the use of proxy variables to estimate GDP at the prefecture and district levels. The indices are not comparable to those of the global HDR.

10 Altogether there are 12 prefectures and 36 districts in Albania. The prefectures are divided into those with a low, a medium and a high HDI. These data show that the Tirana and Fier prefectures have the highest level of human development. Six prefectures have a medium level and four prefectures in the north of the country – Lezha, Shkodra, Dibra and Kukes – have a low level. Eleven districts were categorized as having a low level of human development, 22 districts have a medium level and 3 districts have a high level.
3.3 The dissemination process

The first Albanian NHDRs were formally launched in the presence of the media. During that period, neither was the UNDP country office noted as a producer of the NHDRs, nor were there as many NGOs and think tanks as there are today. The readers were not familiar with HD. Although there was some media coverage, this was not amplified as in the case of the last two NHDRs by a communications strategy and follow-up activities.

The 2002 NHDR was launched at the Rogner Hotel in Tirana on 18 December 2002, before the Christmas holiday. The launch event was attended by 200 people, which included representatives from government, the opposition, the local government, civil society organizations and the media. The launch was organized by UNDP together with the Office of the Prime Minister. The Prime Minister gave a speech outlining a government policy in support of decentralization; the UNDP Resident Representative presented the document; and the production team made a more detailed presentation on the report’s findings. UNDP hosted a meeting of the regional media on the findings of the report, using the services of a media expert. However, work with the media had started much earlier. In October 2002, a two-day training workshop on HD for journalists and other media was held. The training focused on HD concepts and on how an NHDR, its findings and recommendations should not be presented in terms of scandals or negative issues. Also, the media were contacted one day before the launch and they received a folder containing an executive summary, a press release, a CD-ROM and the whole report under embargo. Two thousand copies of the report were distributed. As a result, the report received strong media attention.

The project that financed the 2002 NHDR did not have additional resources for follow up. This was not the case for the 2005 NHDR, the sixth for Albania. The 2005 edition was launched at the School of Economics of the University of Tirana. While the 2002 report was aimed at an audience with a strong interest in local governments and local community organizations, the aim of the 2005 NHDR was to stir interest among the academic community, university professors and students. The launch was chosen to coincide with International Women’s Day on 8 March 2005. The UNDP Resident Representative made the presentation jointly with the Speaker of Parliament and the Head of the Economic Committee of Parliament. The report was produced in both Albanian (2000 copies) and English (1000 copies). Three hundred copies were distributed among guests during the launch.

UNDP supported dissemination activities through a special Communication and Public Relations Unit that worked on many fronts. A public information campaign was implemented, and debates were organized prior to the launch. As a result, there was substantial media coverage, and both electronic and TV programmes as well as the print media covered the NHDR.

In the case of the 2005 report, dissemination included follow-up activities. Several regional media training exercises on HDRs and MDGs were conducted through

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11 Ian Williams, from UN Press Association.
an NGO for 25-30 participants in each region. A talk show on a top TV channel was aired a couple of months before the parliamentary election; it featured women from different sectors of Albanian life who participated in a two-hour discussion. The parliamentary elections of 3 July 2005 also provided opportunity for media attention on the report, particularly the discussion on the issue of participation of women in politics. A UNDP-sponsored TV spot was presented on all TV channels, which called for people to vote for women candidates in the election. A popular TV programme invited women leaders to participate and they referred to the NHDR’s findings. The 15 Albanian TV channels featured candidates who based their arguments on data from the NHDR. A documentary film in Albanian was prepared and aired on all TV channels, presenting women from different sectors of life – poor women in remote areas, successful women entrepreneurs or professionals and ordinary women. Also, some pilot projects on rural development were initiated and a debate with people from academia took place at an agricultural university.

3.4 Partnerships

The preparation of the report incorporated the work of a variety of organizations and also received institutional contributions from additional civil society, academic and non-governmental organizations.12

The HDPC led the preparation of the first five NHDRs. The HDPC is an NGO that works with various international organizations (World Bank, EU) in different development fields, including economic development, children and youth issues, and inter-ethnic relations. UNDP subcontracted HDPC to prepare ‘The Albanian Response to the Millennium Development Goals’, published in May 2002 and also four of the regional MDG reports.

SEDA, an NGO founded in 1997, took responsibility for the 2005 issue. It works in the fields of sustainable regional development, historical heritage, capacity building of local authorities, civil society organizations, community based organizations, and sustainable tourism.

12 The following organizations collaborated in the production of the 2000 NHDR, in addition to HDPC and INSTAT: Institute of Contemporary Studies; Center for Sociological, Political and Communication Studies; Center for Economic and Social Studies; Albanian Institute for International Studies; Urban Research Institute; Albanian Demography Association. The following organizations collaborated in the production of the 2002 NHDR: Albanian Association of Municipalities; the Institute for Research and Development Alternatives; the Albanian Center for Information Technology; the Center for Autonomy and Local Democracy; the Institute for Habitat Development (Co-Plan); the Institute for Contemporary Studies; and the Institute of Urban Research. In the case of the 2005 NHDR, the collaborating organizations included the Albanian Association of Municipalities; the Centre for Rural Studies; Co-Plan; the Gender Alliance for Development Centre; Partners Albania – Centre for Change and Conflict Management; and the United Nations Volunteers.
3.5 Influence

The interviewees agreed upon the fact that NHDRs in Albania had fulfilled their major objective in that they had contributed to disseminating HD ideas and approaches and stimulated debate upon the course development should take in the country. The reports complied with certain preconditions that the interviewees agreed were relevant. These preconditions are that firstly, topics selected should correspond to real national development issues. Secondly, the report should be produced by a team of respected experts, intellectuals and participant organizations that can present a serious, technical analysis backed by empirical data, and present a balanced opinion that the public can trust. Thirdly, consultation and participation should be increased so as to maximize involvement. The final content of the NHDR is not that of any individual author but a common denominator that avoids prejudice in order to exert influence through advocacy.

The interviewees from NGOs stated that the first few Albanian reports were more analytic, while the later editions focused on influencing policy-making. One has to take into consideration that presently the NHDR competes with many other reports produced by international organizations. A challenge is to produce a report that has its own character, written in a language and presented in a way that does not use the terminology of international organizations in order to reach the public.

Influence on the human development debate

Some interviewees explained that at the beginning of the transition, there was little knowledge or awareness of development concepts and approaches in Albania, and therefore it was not clear what sort of general model should be pursued. Thus, UNDP HDRs made a positive contribution by presenting an alternative approach that contrasted with the structural adjustment and economic liberalization approach sponsored by international financial institutions. The alternative approach centred development on the person, not on industry or economics, and provided information on the development discussion taking place in other regions of the developing world. The HD approach also contributed to thinking in terms of population in a territory – regional development and decentralization – and to the debate on poverty. The restricted concept of income poverty was widened to encompass access to services and capabilities or access to livelihoods, that is, a platform on which poverty reduction is a consequence of the capability of each person. In addition, the various NHDRs have focused on specific aspects of development, namely emigration, decentralization, poverty and gender.

The assessment shows that NHDRs were being read by an increasing number of people and institutions. For example, institutions like the World Bank ask UNDP about the themes and timetable of preparation of NHDRs. The interviewees also mentioned that the process of preparation of reports had made a decisive contribution to the development debate through consultations, workshops and seminars. The process has helped to widen and at the same time sharpen the subject matter, including views on strategy and overcoming past sector approaches.
The interviewees also highlighted the presentation of the HDI disaggregated for the 12 regions as a major factor for stimulating the development debate. The first calculation of HDI was done by the 2002 NHDR. Notwithstanding the fact that HD cannot be reduced to its indices, that the HDI is just a summary indicator that must be supplemented by a battery of multiple indicators, and that there are many aspects for which we still lack adequate or qualitative indicators, the HDI, particularly its disaggregating by smaller geographic units, provides a concrete measure to which people can directly relate. As in the cases of Brazil and Bulgaria, the same phenomenon happened in Albania with the 2002 report. One of the main issues highlighted was the development disparity among regions. For the first time in the 12 years since the beginning of the transition, a report discussed enclaves of poverty in Albania. The report quantitatively proved that lagging development was concentrated in the north-east and north-west regions of Albania. Furthermore, it showed that financial resources were concentrated in certain regions and on certain population groups. The report challenged the traditional view on 6 percent economic growth and highlighted the existence of a ‘fast lane’ and ‘slow lane’ of development, particularly singling out the region of Kukes. Local governments and residents in poor regions were sensitive to the argument, to which they could refer now to claim financial and other forms of support, creating pressure on international organizations and the central government.

The 2002 NHDR coincided with local elections, which are held in Albania every three years. The arguments of geographic disparities were widely used in the political campaign until election-day in early October. Despite the biases that politicians and journalists introduced in order to fit NHDRs to their individual agendas, the report contributed to spreading awareness on the questions it had addressed.

Another example concerns the effects of the 2005 NHDR. The issues of poverty and gender inequality were intensely discussed during the parliamentary electoral campaign. Women candidates used the findings of the NHDR to reinforce their candidacies. The current Prime Minister and the former Minister of Education, political leaders belonging to opposing political parties who were very active in the last parliamentary campaign, all argued their positions based on information from NHDRs.

Influence on policy-making

One of the major achievements of the 2002 NHDR was to contribute to the discussion of developments in the area of local governance. The report highlighted the need to establish a strategy of HD planning at the regional and local level. As a result of the NHDR, a local dimension was incorporated in the national strategy. In fact, one year after the publication of the report, an updated version of NSSED incorporated this local dimension. Another impact was upon UNDP and government policy. The findings of the 2002 NHDR were tied to the MDGs to initiate a series of localized MDG reports in 2002. The first MDG report was launched in June 2003, six months after the launch of the NHDR. Since then, 12 regional MDG reports have been produced. All carry the participatory message, and
were prepared in an open, transparent way with the participation of a large number of stakeholders, and all provided first strategic documents for local governance.13

Another major effect of the 2002 NHDR was the UNDP area-based development programme that was implemented in the region of Kukes, the area with lowest HDI in the country. The former Minister of Integration told the assessment mission that her decision to allocate financial resources from EU (4 million Euros; 2 million for mine clearance and 2 million for infrastructure) to the project was influenced by the NHDR and the arguments raised accordingly by the UNDP Resident Representative. The project documentation presents the situation in the Kukes region, which is clearly illustrated by the map of the HDI regional distribution produced by the NHDR. The Kukes project took advantage of smaller UNDP initiatives in the area, including three pilot projects on local government. The results of the NHDR stimulated visits by donors to the area, which were organized by World Bank and EU, and also led to a development project sponsored by the Swedish International Development Cooperation Agency.

Regarding influence on regional development policy, the speech by former Prime Minister Fatos Nano during the launch of the 2002 NHDR on 18 December 2002 is self-explanatory:

“The analysis, recommendations and conclusions reflected in this document (NHDR) seems to represent new ideas coinciding with my perspective and the initiative of this government to implement the decentralization reform and regional development.

I have insisted on the necessity of partnerships with NGOs (not-for-profit organizations) in formulating policies, strategies as well as implementing them. Often this partnership is considered just as a ceremonial cooperation and not an instrument for having a great impact (on) the content of (these) reforms in decision making and supervising…their implementation. This event is a good example for understanding the indispensable value of this partnership.”

In fact, NHDRs did influence national development strategy according to government officials. As mentioned above, at the beginning of the transition, the government operated on the basis of sector strategies. In 2002, the first government strategy on poverty reduction was formulated. The Albanian commitment towards the MDGs represented a second strategic avenue. And a third one was the path towards EU accession. Starting in 2003, the first two avenues were incorporated in the new NSSED and it is expected that the strategy for EU accession will be incorporated by 2006-2007. “The MDGR has direct political influence because it is mandatory according to the commitment made by the government. However, one can build an argument of relationship between the MDGRs and the NHDRs. The latter are more research, analytic documents for reference and creating awareness”. The government and UNDP have worked intensely to update the MDG commitments in terms of the Albanian context and even added a ninth objective on good governance. The work was done in partnership with various stakeholders, especially civil society. It is important to note that there has been a reciprocal influence between

13 The launch of the 12th report took place on 28 October 2005.
government policy and NHDRs. The reports have helped identify the issues, measure their prevalence, analyse trends and search for solutions to improve the situation. Each NHDR has stimulated discussion on the issues and the means of action. The 2002 report calculated the HDI by sub-national levels and analysed the problems of decentralization after the government adhered to EU legal frameworks and established support to local governments. The 2005 report focused on poverty reduction and gender equity, and integrated the MDGs in relation to NSSED.

Persons who have held or are now in high-ranking government positions participated in the production of one or more NHDRs. The former Minister of Integration participated in writing the 1996 and 1998 editions in her role as statistician and migration specialist. As a Minister, she later helped allocate US $50,000 per year to INSTAT so they would be able to produce adequate statistics for the reports. The present Speaker of Parliament wrote on women’s issues for the 2005 NHDR. The current Deputy Minister of Interior, who was an active participant in the production of the 2002 report when he led the Center for Local Democracy (an NGO), is now responsible for decentralization and local government.\textsuperscript{14} Officials of the NSSED department were members of the team of authors of the last two reports.

\textbf{Influence on strengthening technical and intellectual networks}

In the Foreword to the first Albanian NHDR (1995), the President of the Republic stated that the process of preparing the first Albanian NHDR created a very valuable network of professionals that would be instrumental in the preparation of future reports.

UNDP has indeed contributed to strengthening the Albanian network of research and academic centres through the NHDRs. It has done this through financial support; by providing information on and access to the international development debate; and through the production process of the reports, which increased participation of individuals and organizations.

The information contained in the reports is being used by development projects and by business firms. For example, a Local Government Development strategy presented to Swedish International Development Cooperation Agency used the 2002 NHDR data and findings. World Bank documents use NHDRs as reference material. Consulting firms used NHDR data for preparing social and environmental impact studies of irrigation projects in 2003 and 2004. Finally, NHDRs are used as a basic source by technical teams for the preparation of regional MDG reports.

The NHDRs are also considered reliable sources of data by researchers. For example, researchers from the University of Sussex and from Albanian centres who participated in a conference on migration organized in Korça presented papers based on data published in NHDRs.

\textsuperscript{14} The newly elected authorities merged the former Ministry of Local Government with the Ministry of Interior.
The NHDR efforts have also provided researchers with data collected by INSTAT (for example, on the basis of sample surveys) that are not currently available to the public. UNDP has supported the work of INSTAT and stimulated the calculation of relevant HD measures. NHDRs have led to the growth of expertise in this regard and experts in some development NGOs have acquired the skills to calculate indicators. However, INSTAT does not have a mandate to prepare statistics for NHDRs. The establishment of a sustainable system of development information and institutional capacity definitely incorporated in INSTAT, available to all as a public good in Albania, still represents a challenge that can be overcome in the near future.

The NHDRs are recognized as serious publications that represent legitimate sources of data not only for policy-making but also for research. For example, the 2000 report included a section on emigration and brain-drain, while the 2005 report analysed poverty and the marginalization of the Roma population. As a follow up, the Center for Economic and Social Studies – which participated in the production of both reports – conducted a series of studies on the brain-drain, the Roma population and poverty, financed by World Bank and UNDP. The brain-drain study was also financed by the Soros Foundation. The result of this study was recently presented to the President by the Soros Foundation and was also referred to in newspaper articles. The UNDP Bratislava Center is sponsoring a second study of the Roma population in Albania that will provide additional information as well as expand on the material gathered by the regional HDR on the Roma carried out in 2003. These studies provide original data, a baseline and the possibility of comparison on the important development issue of the problem of ethnic minorities and social integration.

Influence on education on human development

Beyond involvement of universities in discussions, there has not been an attempt to formally introduce HD as a subject in the curricula of the education system in Albania.

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15 The universe of study comprises the following countries: Czech Republic, Slovak Republic, Hungary, Romania and Bulgaria. INSTAT is now participating in the exercise, on the basis of a strategy formulated by the Albanian government in 2003. The strategy recommends action in several areas including education, participation, access to employment and health.
4. Application of evaluation criteria

The analysis conducted can be summarized in terms of standard evaluation criteria:

A. Relevance

NHDRs in Albania presented the HD approach as an alternative voice to the prevailing economic-based growth and stabilization approach. It incorporated priority issues, including difficult political problems at the time of the 1997 crisis. Furthermore, the most recent themes (decentralization and local development, poverty reduction and gender equality) deal with important national priorities. Albanian NHDRs have not dealt with other HD questions, particularly democratic governance. Despite the political constraints the national situation presents to UNDP, issues such as the democratic state, political representation, the rule of law, human rights and protection of minorities may be explored in future issues.

B. Effectiveness

NHDRs in Albania have succeeded in raising awareness and advocating HD ideas, which were the original objectives of the reports. But they have gone even further by making policy proposals, which were not originally posed. The process has improved over time.

C. Efficiency

We did not study this criterion in depth. The cost of NHDRs appears to be quite acceptable compared to other countries and the outputs have been delivered on time as supervised by UNDP.

D. Sustainability

This criterion cannot be directly applied as with other programmes and projects because the products delivered are ideas through advocacy. Considering that the NHDR is a flagship advocacy tool of UNDP, it is not envisioned that national institutions will take the lead in the production and dissemination of NHDRs. One can approach the question from another angle by saying that various civil society organizations have been involved in the NHDR process and that the number of professionals interested in the matter has increased in Albania, which creates an improved environment for sustainability. Hence, production of NHDRs does not depend on single individuals or institutions. Furthermore, we found good synergy between NHDRs and MDGRs, which reinforce one another.
5. Conclusions

- NHDRs in Albania succeeded in documenting the transition, which was one of the objectives pursued by UNDP. But they did more – they made important analytic contributions to understanding development problems in the country and made recommendations on important issues.
- NHDRs improved both in content and in their use as advocacy tools, increasing participation of organizations and individuals, incorporating media strategies for dissemination and attracting attention from the media and the public.
- NHDRs disseminated HD concepts in Albania, focused the attention of government and civil society on development issues, and contributed substantially to the debate on alternative development courses of action.
- The assessment mission identified actual relationships between NHDRs and government policy. For example, the incorporation of a regional approach and local governance to development and the formulation of the national development strategy (NSSED).
- NHDRs also stimulated the formulation of development projects by UNDP and other donors.
- NHDRs have contributed to strengthening networks of technical and research institutions on HD by providing linkages and access to information and knowledge, stimulating joint work with participatory practices, and providing support to think tanks.
- NHDRs also helped make data available for development and research and became legitimate sources of information for specialists and the general public.
6. Lessons learned

The Albanian experience provides some positive elements and also challenges:

- The choice of modality of production – whether to build in-house capacity at UNDP or outsource production to an NGO – represents an important decision. Albania has opted for the latter since 2002, after initially relying on a group of experts (even though they come from academic centres and NGOs). Outsourcing involves consideration of competition vs. cooperation among participating organizations.
- In the case of production by an NGO, indexes, data and other relevant information ought to be available as a public good.
7. Recommendations

- UNDP’s decision on the modality of preparation of the NHDR – whether it is produced by a UNDP core of experts to strengthen intellectual capacity for policy dialogue and/or outsourced to a network of centres – should ultimately ensure sustainability of an HD information system that provides data as a public good, available to all.

- Among possible future NHDR themes, the interviewees pointed out some possible priorities: (a) deepening of regional development and local governance related to NSSED, building upon already gained expertise and regional MDG reports and assisting government policy on transforming the administrative subdivisions of the country to a lower number of regions and local jurisdictions to improve decentralized local governance; (b) good governance issues, including rule of law, representation, relation of state to civil society, access of citizens to government services, and anti-corruption; (c) EU accession as an avenue to be integrated in the NSSED; and (d) education as a development problem. In all cases, the HD approach would not lose a holistic view and would also encompass such priority areas as poverty reduction, gender equality and environmental sustainability.

- Themes should be decided not only through internal brainstorming but also through consultations, particularly with the government, in order to select topics that are a national priority.

- Follow-up activities should be emphasized, not only by working with the media, but also by organizing workshops with decision-makers, technical experts and representatives of different sectors of society to analyse what is happening and what is not, update the issues covered in the NHDR and its recommendations.

- Capacity-building of human resources on HD should be done by working with schools, training teachers and formulating and incorporating HD curricula in secondary schools and universities.

- Exchange with countries of Eastern Europe and with their NHDR teams as well as participation in regional initiatives should be encouraged. Attention should be focused on European countries that share common problems with Albania, such as rural development, local governance and integration of ethnic minorities, particularly with other countries that have entered or are near EU accession.
ANNEX 1: List of interviews

Political leaders and government officials

1. Mr. Besnik Aliaj – Adviser to the Prime Minister
2. Prof. Adrian Civici – Director NSSED Department, Ministry of Finance
3. Ms. Milva Ekonomi – Director, INSTAT
4. Ms. Ermelinda Meksi – MP, former Minister of EU Integration
5. Mr. Ferdinand Poni – Deputy Minister of Interior

Civil society organisations

7. Dr. Ylli Cabiri – Director, Human Development Promotion Center
8. Dr. Ilir Gedeshi – Director, Center for Economic and Social Studies
9. Ms. Eglantina Gjermeni – Executive Director, Gender Alliance for Development Centre
10. Mr. Remzi Lani – Executive Director, Albanian Media Institute
11. Ms. Nora Malaj – former head of Equal Opportunities Committee and Albanian Society for All Ages
12. Mr. Gene Myftiu – Sustainable Economic Development Agency
13. Mr. Engjell Skreli, Institute of Public Policies and former Deputy Minister of Trade
14. Ms. Zana Vokopola – Executive Director, Urban Research Institute

UNDP

15. Ms. Nora Kushti – UNDP Public Relations Manager
16. Mr. Vladimir Malkaj – Cluster Manager, MDGSP Unit
17. Mr. Eno Ngela – NHDR focal point
18. Ms. Elzira Sagynbaeva – UNDP Deputy Resident Representative