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PERMANENT MISSION
OF THE REPUBLIC OF ALBANIA
TO THE INTERNATIONAL
ORGANIZATIONS
VIENNA

Statement of the Delegation of Albania,

As delivered by the Permanent Representative, Ambassador Spiro Koçi,
At the Opening Session of second Preparatory Meeting of the 20th OSCE Economic
and Environmental Forum

Dublin, 23 April 2011

The Albanian delegation is pleased to participate in the second Preparatory Meeting of the 20th OSCE Economic and Environmental Forum. We wish to join others in thanking the Irish Chairmanship for convening this meeting in Dublin and for its warm hospitality.

Albania aligns itself with the statement delivered by Denmark on behalf of the EU and its member States. We fully subscribe to the assessment of the EU that corruption remains one of the biggest challenges for all societies and welcome the OSCE's continued involvement in this sphere. On a national capacity, we would like to provide a brief overview of the measures adopted by Albania to fight corruption and ensure good and transparent governance.

During its transition to democracy, Albania has gained first-hand experience on the adverse effects that widespread and systemic corruption has on growth and development. By lowering investment levels, distorting the fair operation of the market and draining public finances, corruption has often prevented Albania to unleash its full economic potential.

Over the past 7 years, the GoA has been able to reverse the negative trends affecting our economy due to corrupt practices and lack of transparency in the public governance. Following the adoption of a set of comprehensive and cross-dimensional reforms, tax and customs revenues have doubled, despite the substantial decrease of personal income and profit tax to 10%, operative expenses have been cut from 3.2% in 2004 to 1.8% of GDP now, whereas the overall cost of public procurement has been reduced by 27%.

Many sweeping economic reforms - namely privatizations, electronic public procurements and one-stop shops for the registration of businesses and the issuance of permits and licenses - have changed the face of Albania's economy. They have fostered a friendly economic climate, where individual entrepreneurship and private investments can thrive.

As a result, Albania continues to register a steady economic growth led by the private sector, which accounts for more than 80% of the GDP, and by foreign direct investments amounting to a billion of USD per year: a ten 10 fold increase compared with 8 years ago. Regardless the ongoing crisis of our neighborhood and major economic difficulties of Albania's main trading partners, the GDP is expected to grow also in the years to come. These results, we believe, indicate that the course of reforms set in motion by the Albanian Government to fight corruption and promote good governance has proven to be highly effective.

The underlying principles of this reform agenda are simple. Albania has chosen to have a small and lean government, to help and protect investors by abolishing red tape and deregulating the economy and to file criminal charges against all those individuals or officials who are involved in corruption cases. In this context, the size of the public administration has been reduced by 33%, whereas the civil service by 16%, a law against the conflict of interest in the public sphere has been enacted and is being implemented, an online tax payment system is in place and more than 250 public officials face corruption charges.

The principles of this reform are embedded in an *ad-hoc* "Inter-departmental strategy to prevent and fight corruption and ensure transparent government". The implementation and follow up of this milestone document and its action plan is entrusted to an *ad-hoc* Inter-ministerial working group led by the Prime Minister.

To make efforts more systematic and increase their impact, an "Anti-corruption department in the Council of Ministers" and a "Special inter-departmental task-force led by the Public Prosecutor Office" have also been established.

The GoA is also implementing a number of measures tailored to meet the recommendations of the 2011 European Commission Progress Report. Initiatives to lift immunity for high level officials and judges, to complete the legal framework addressing GRECO Recommendations, to increase transparency in political party funding and the responsibility of the judiciary are being treated as a matter of priority.

Aware of the need to do more in the fight against corruption and to ensure transparency, the GoA is complementing these measures with the implementation of the *Open Government Partnership Initiative*. This initiative was approved in September 2011 following a large consultative process with several stakeholders and interested civil society organizations.

Three are the key challenges that this ambitious action plan will try to address: increasing the integrity of the public governance, improving the delivery of public service and effectively managing public resources. To this effect, the GoA is implementing a vast array of measures, which include the establishment of the so-called electronic-Government, the digitalization of public services and public access in the decision-making processes.

It is the hope of the GoA that in the medium term the implementation of this initiative will lead to a more open and transparent government for Albania and its citizens.

I wish to conclude by expressing Albania's readiness to continue on the path of anti-corruption and good governance reforms not only to meet international

standards and best practices in these fields, but what is more important, to better serve to its economy and the life of its citizens.

I thank you for the attention.