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PARTNERSALBANIA
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SOCIAL REUSE OF CONFISCATED ASSETS FROM ORGANIZED CRIME AND CORRUPTION BY CSOs WITH AN INCREASED ROLE OF LOCAL GOVERNMENT



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GLOSSARY OF ACRONYMS

- AAPSK** - Agency of the Administration of Seized and Confiscated Assets
- CSO** - Civil Society Organization
- DCM** - Decision of Council of Ministers
- EU** - European Union
- NESS** - National Employment and Skills Strategy
- NAES** - National Agency for Employment and Skills
- OC** - Organized Crime
- PA** - Partners Albania for Change and Development
- SE** - Social Enterprise



INTRODUCTION

Developing an innovative standard model for the social reuse of assets confiscated from organized crime and corruption through social enterprises (SEs) holds significant potential for implementing subsidiary welfare services and revitalizing vulnerable communities. This approach offers tangible solutions to community needs, challenging corruption and apathy by increasing government allocation of these assets for social purposes. It fosters a collective commitment to reduce disparities and promote territorial unity. This approach supports social cohesion and protection, emphasizing employment, social collaboration, and sustainable practices in this regard.

The first law that allowed the social reuse of confiscated assets from mafias and corrupts was promulgated in Italy on March 7, 1996, following a popular collection of signatures promoted by LIBERA – associations, names and numbers against mafia.

Over time, this legislation has become an important tool to stimulate the adoption of laws that can provide for the social reuse of confiscated assets, also at European and international level.

In 2009, the Albanian Assembly enacted Law No. 10192, dated December 3, "*On the prevention and fight against organized crime, trafficking, and corruption through preventive measures against assets.*" This law allows for the lending of confiscated assets for social purposes. Subsequently, DCM No. 632, dated July 23, 2010, outlines the criteria, methods, and procedures for the commissioning and alienation of confiscated assets, recognizing CSOs as key stakeholders in addressing social issues and economic development.

The model for the social reuse of confiscated assets was introduced in Albania in 2016 by Partners Albania for Change and Development through the implementation of the "C.A.U.S.E - Confiscated Assets used for Social Experimentations" project, the first initiative in the country and in the Western Balkans region for the establishment of social enterprises (SEs) in confiscated assets from organized crime (OC) and corruption.

Partners Albania collaborated with the Agency for the Administration of Seized and Confiscated Assets (AAPSK) and received financial support from the European Union, establishing the first three social enterprises in confiscated assets in Durrës, Fier, and Saranda.

Continuing these efforts, another project titled "TWIST: Towards a New Social Entrepreneurship Model in Confiscated Assets in Albania" is currently underway. This project, implemented by LIBERA – associations, names and numbers against mafia, Partners Albania for Change and Development, and the Tirana Municipality, in collaboration with the Agency for the Administration of Seized and Confiscated Assets (AAPSK), and financially supported by the European Union, aims to develop eight new and existing social enterprises (SEs) in the country. Additionally, it focuses on establishing two new SEs utilizing assets confiscated from organized crime and corruption.

Today, with an enhanced legal framework for the reuse of seized and confiscated assets, intensified efforts in combating organized crime, and a better appreciation by state structures of the role of civil society organizations (CSOs) in implementing social entrepreneurship initiatives, there is increased potential for leveraging such opportunities in Albania. Moreover, social enterprises (SEs) have grown, providing marginalized individuals and communities with opportunities to thrive.

Through a range of effective activities, SEs foster social inclusion, create employment opportunities, and promote economic empowerment within targeted communities.

Furthermore, the impact of this model transcends the SEs themselves, sparking a 'domino effect' across territories, encouraging broader citizen engagement, and promoting legality through the provision of social services and the facilitation of social entrepreneurship facilitated by confiscated assets.

STRUCTURE OF THE STUDY

The study presents an analysis of the legal framework on social reuse of confiscated assets by CSOs and the role of local self-government units in this regard and provide recommendations for an increased role of Municipalities in the process.

Additionally, the study provides an analysis on the contribution of SEs in social integration and employment of marginalized communities. An evaluation of the impact through gender lenses of the activities of social entrepreneurship in disadvantaged communities is conducted, presenting crucial data and recommendations for the future.

The first part of the study focuses on engaging local self-government institutions - Municipality, as pivotal player in managing confiscated assets from organized crime and corruption, with the aim of social reuse. An analysis of the national legal and practical framework presents the current situation and recommendations are proposed on an increased role and influence of local self-government in this process.

The second part of the study places significant emphasis on how social entrepreneurship contributes to social integration and creation of employment opportunities for vulnerable communities. It provides a comprehensive overview of 13 targeted social enterprises, 5 established in confiscated assets, at the national level, highlighting their potential for the social inclusion and employment of individuals from vulnerable communities. This includes an in-depth analysis of the assessed capacities of the individuals employed in the SEs, role of state institutions and other relevant actors in facilitating their employment etc. The study focuses on the regions of Durrësi, Fieri, Shkodra, Gjirokastra, Elbasani, Fushe-Arrezi, Memaliaj, Roskoveci, Saranda, and Tirana.

Various indexes, such as the inequality index, percentage of employability, and social inclusion index, are analyzed through a baseline study and impact measurement of the targeted social enterprises within the scope of this study.



PART I

INCREASED ROLE OF MUNICIPALITIES IN THE MANAGEMENT OF CONFISCATED ASSETS FOR SOCIAL REUSE PURPOSE

I. GENERAL CONTEXT

The social reuse of assets confiscated from organized crime and corruption is portrayed as a distinctive phase in the asset recovery process, one that enhances the empowerment of citizens and communities as a counterbalance to the influence of crime. This extends the battle against organized crime and corruption beyond the realm of the state, actively involving society, whether directly or indirectly.

The social reuse of assets confiscated from organized crime and corruption sends a strong signal to society to mobilize. It conveys the message that confiscation is not merely a tool for combating organized crime by diminishing its financial power and capacity to exert influence, but also an opportunity to bolster public authority budgets. Furthermore, it serves as a beneficial and transparent mechanism that, directly or indirectly, places confiscated assets from organized crime and corruption at the disposal of citizens and the general public. Through this, the social reuse of such assets undergoes a transformation from being solely repressive to becoming a redistributive tool.

This approach underscores a crucial aspect of restorative justice, wherein the offender is tasked with taking responsibility to mend the harm caused by their actions, while the victim can regain trust in society at large. Within criminal justice, there is an increasing emphasis on victims' rights, with compensation being a pivotal issue.

The social reuse of assets confiscated from organized crime and corruption emerges as a pivotal tool because the compensation and allocation of these assets place those affected by these grave crimes at the heart of the asset recovery process. What's particularly noteworthy about the practice of social reuse is that organized crime and corruption may not always be directly linked to an identifiable victim.

Social reuse projects can be distinguished from other projects, as they generally do not require an individual or community to be directly affected by organized crime in order to benefit from the use, or revenues generated from the sale of an confiscated asset.

Social reuse of confiscated assets is used to compensate based on a broader notion of the 'victim' including communities at large and even state bodies themselves.

The return to the community of illegally obtained assets, to be used for social purposes, is an effective strategy in the joint fight against organized crime.

The management of these properties by civil society organizations and the opportunity to transform them into environments where necessary economic and social activities are simultaneously developed, directly affects the well-being of the community through the production of goods and services and the creation of opportunities for employment.

When institutions and/or civil society use these properties effectively for social purposes, this is a signal of the loss of control and prestige of the criminal exponents in the territories they claim as their own, and a real proof of the change that is taking place in a territory of organized crime.

The use of assets confiscated from organized crime and corruption through their social reuse is an effective method to fight organized crime and for the social economic development of the community, thanks to three dimensions:

1

First, there is the political dimension and the message that these social enterprises convey to local communities to overcome the fear of the rule of the "culture of organized crime".

2

Secondly, there is the social dimension - social enterprises engage people who have been victims of organized crime or people who belong to disadvantaged groups and are at risk of being affected by organized crime, giving them a new opportunity - integrate into the respective communities.

3

Third, there is the economic dimension - social enterprises in confiscated assets generate jobs and aim to maximize profit, which will be reinvested and will go towards the social mission of the enterprise.

The social reuse of confiscated assets constitutes a fundamental way through which assets can be managed in the final phase of their recovery procedure. Traditionally, it has been seen as a component of the asset management and recovery phase of crime.

Nevertheless, the concept of "social reuse of assets" is increasingly perceived as a distinct phase, separate from the cycle of recovering assets from organized crime. This mirrors a broader trend where the significance of social reuse is gaining momentum, as recognized by international institutions and also at the national level. A growing number of countries are incorporating provisions for the social reuse of these assets into their domestic legislation.

Perceiving social reuse as a distinct phase in the asset recovery cycle also reflects more accurately the comprehensive scope and duration of social reuse measures, which extend beyond the realm of "disposal."

According to the current legislation, local self-government is the authority provided closest to citizens, dedicated to them throughout its organization and operation.

The fundamental principle guiding the functioning of local self-government to achieve the aforementioned mission is subsidiarity. This principle dictates that Municipalities carry out their functions and wield their powers at a governance level as proximate to the community as feasible, considering the significance and nature of the task, as well as the requirements of efficiency and economy.

It is precisely due to this principle and the proximity of local government to the demands and needs of citizens that the heightened role of these bodies in the sphere of social reuse of assets confiscated by organized crime and corruption arises.

II. ALBANIAN LEGISLATION IN FORCE

Based on the current legislation in force (*law and CMD*) it is foreseen that all assets confiscated by a final court decision, in implementation:

- of the provisions of law no. 10192, dated 3.12.2009, "On preventing and combating organized crime, trafficking, corruption and other crimes through preventive measures against wealth", amended,
- of law no. 34/2019, "On the administration of seized and confiscated assets", as amended,
- of normative act no. 1, dated 31.1.2020 of the Council of Ministers "On preventive measures in the framework of strengthening the fight against terrorism, organized crime, serious crimes and the consolidation of public safety order".

are subject to the procedures of provision for use or alienation by the Agency for the Administration of Seized and Confiscated Assets (AAPSK).

The Agency for the Administration of Seized and Confiscated Assets forwards the final court decision on the confiscation of assets to the institutions responsible for the transfer of ownership on behalf of the Agency for the Administration of Seized and Confiscated Assets.

For the supervision of the administration of assets seized and confiscated by the Agency, as well as for making decisions about the destination of these assets, the Inter-institutional Committee for Measures Against Organized Crime is established and functions, according to the provisions of Article 35, of Law no. 10192, dated 3.12.2009,

"On preventing and combating organized crime and trafficking through preventive measures against property", amended.

The Inter-institutional Committee for Measures Against Organized Crime decides on the allocation of assets, as well as on the effective use of income within the state budget. The committee consists of nine members, respectively proposed by the Minister responsible for Public Order and Security, the Minister responsible for Economic Affairs, the Minister responsible for Justice, the Minister responsible for Social Affairs, the Prosecutor General, the Special Prosecution Against Corruption and Organized Crime, Judicial Budget Administration Unit, State Cadastre Agency and Seized and Confiscated Assets Administration Agency.

The member proposed by the Minister responsible for Public Order and Security is the Chairman of the Committee. The Seized and Confiscated Assets Administration Agency exercises the function of the Technical Secretariat at the Committee.

The Seized and Confiscated Assets Administration Agency is the only institution at the central level responsible for the administration of seized and confiscated assets.

The main powers and responsibilities of the Agency are related:

- *to the taking over of seized and confiscated assets;*
- *administration, maintenance and storage of seized and confiscated assets, through direct or third party administration;*

- *preparation of complete documentation for the alienation or transfer of confiscated assets to administrative responsibility;*
- *the supervision of the activity of the beneficiary of the special fund for the prevention of criminality, who has been given the responsibility of administering or lending a confiscated property, whether or not the use of the property is in accordance with the instructions of the Minister responsible for Order and Security Public; etc.*

The Agency is managed and represented by the Chief Administrator, who directs and organizes the Agency's activity; supervises and controls the activity carried out for the administration of seized and confiscated assets; negotiates and concludes the lease, loan and emphyteusis contracts for seized and confiscated assets, etc.

The Chief Administrator appoints and oversees the Administrators of seized assets, whose competencies and responsibilities are defined in the Law on the administration of seized and confiscated assets.



III. AN INTERNATIONAL HINT FOR THE FIGHT AGAINST ORGANISED CRIME. THE ITALIAN LEGAL AND PRACTICAL FRAMEWORK OF CONFISCATION AND SOCIAL REUSE.

"The confiscated assets are gymnasiums of life", Pope Francis told the members of the Italian Anti-Mafia Commission on an official visit in 2017; for the Italian association LIBERA they have been since 1995 and continue to be so today.

The assets confiscated from the mafia and organised crime are "commonplaces", spaces that are not only physical, through which the community regains beauty and rights, rediscovers itself united around the values of inclusion and social justice, but above all they are the garrisons around which it works to turn these spaces into new opportunities for economic and labour development.

Quoting the words of the Italian jurist Stefano Rodotà, *"confiscated assets are common goods for all of us, because they are instruments for the implementation of those fundamental rights at the basis of paths of social justice"*, in Italy as in many other countries in the world, including Albania.

With this overview of the Italian framework, you will be introduced to the world of confiscated assets and the evolution of the practice of promoting social reuse.

1. What are confiscated assets?

Confiscated assets are one of the most effective tools to hit the mafia and organized crime, attacking them in their assets and in the power relations with which they cage territorial contexts.

Taking up the definition contained in the Italian Code of Criminal Procedure, in Article 416 bis, are all *"the things that were used or were intended to commit the crime and (of the things) that are the price, the product, the profit or that constitute its use"*; as Pio La Torre had already sensed in his minority report to the Anti-Mafia Commission in 1976, in fact, the fight against mafias and corruption can only bear good fruit by unhinging that system of social and cultural control that develops through the illegal economy that they manage to generate.

There are three different categories of confiscated assets, each of which has regulatory and re-use peculiarities: movable assets (current accounts, shares, boats and registered assets, works of art and much more); real estate (land, apartments, villas, commercial premises, just to give a few practical examples) and companies (as a whole of real estate and company shares), which cover the widest areas of the productive enterprise, from simple commercial activities to building production or photovoltaic energy plants.

2. The history of legislation

The history of anti-mafia legislation in Italy is unfortunately linked to sensational news events, which have provoked a strong reaction from the community and the legislator. Without pretending to be exhaustive, in this summary it is traced a timeline that leads to the present day and the current debate on this issue. At the beginning of the 1980s, Pio La Torre (first a trade unionist for the CGIL- Italian General

Confederation of Labour- and then a deputy for the PCI, ed.) presented a bill for the introduction of the crime of mafia association in the Italian Penal Code, in the wake of his concrete commitment to defend his Sicilian land, so battered but ready to react.

It was not until 13 September 1982, after the murder of La Torre and his collaborator Rosario Di Salvo, and after the assassination of the prefect Carlo Alberto Dalla Chiesa, his wife Emanuela Setti Carraro and the driver Domenico Russo, that Parliament approved what we now remember as the "Rognoni - La Torre" law.

This is the first law in Italy that introduces the crime of mafia-style criminal association, but above all confiscation is provided for as a fundamental tool against mafia power. The intuition behind it is linked to the change of direction in the fight against the mafia phenomenon: the "simple" military repression of criminal organizations would not have been enough to compress their dangerousness, especially in the presence of large capital reserves.

And so, in *Law No. 646/1982* stands out for the first time the confiscation of assets whose legitimate origin does not appear, found in the direct or indirect property of the defendant.

Over the years, the legislator has improved the whole process of seizure and confiscation, starting with the creation of the judicial administrator for assets and companies, up to the so-called "extended confiscation" (Decree no. 306\92), which emphasises the disparity between declared income and assets held, including through "fictitious names/figureheads".

Italy, had to wait for a new wave of emotion to take an important step forward: The dates of 23 May and 19 July 1992 are etched in the memories as evidence of Cosa Nostra's violence against the State, with the murders of Judge Giovanni Falcone and his wife, Magistrate Francesca Morvillo, and the

security agents Vito Schifani, Rocco Dicillo and Antonio Montinaro; and in July with the murder of judge Paolo Borsellino, the first female security agent Emanuela Loi, and her colleagues Agostino Catalano, Vincenzo Li Muli, Walter Eddie Cosina e Claudio Traina.

These dates anticipate the massacres in Florence and Milan in 1993, and the attacks in Rome against the churches of San Giorgio al Velabro and San Giovanni in Laterano.

It was in those years that the LIBERA associative network was born and the first initiative of national importance, not coincidentally, was a collection of signatures for a popular petition in favor of a law that would introduce the social reuse of assets confiscated from the mafias and the corrupt. The communities, already affected by the massacre season, needed to rediscover the beauty of their territories and become protagonists of sustainable change.

The law of 07 March 1996, proposed by Giuseppe Di Lello (former magistrate of the anti-mafia pool and at that time a deputy) was approved by the Justice Commission, in record time and at the end of the legislature. There were, however, numerous differences with the law promoted by the world of associations: first of all, the elimination of the part dedicated to the social use of assets confiscated from the corrupt.

This "Copernican revolution" was followed by several steps forward, including the establishment of an Extraordinary Commissioner for the management of confiscated assets from 2000 to 2008 (with an interruption between 2003 and 2007) and finally, in 2010, the creation of the National Agency for the Administration and Destination of Assets Seized and Confiscated from Organized Crime (ANBSC), a place that has been proposed as a convergence for the various public actors involved in the seizure and confiscation process.

In 2011, with Legislative Decree No. 159, the so-called "Legislative Decree No. 159" was established.

"Anti-Mafia Code", the first attempt to harmonize all existing legislation on these issues, and introduce some small changes. Precisely as a result of this decree, and some solicitations from civil society, the CGIL proposed the campaign "I reactivate work!", in defence of the rights of workers in seized companies; Soon this shared path was enriched with other instances, to the point of asking for a reform of the Anti-Mafia Code in several points. In 2017, after two years of troubled parliamentary process, Law No. 161/2017 was promulgated, which introduces a series of important innovations in the anti-mafia legislation, with particular regard to the issue of confiscated assets.

With this law, already in Article 1, the possibility of seizing assets from the corrupt and tax evaders is expanded, as LIBERA had requested in 1995. The possibility of supporting the company at the risk of mafia infiltration is introduced: *judicial control becomes a measure that aims to avoid as much as possible the interruption of the companies' activities, thus ensuring the continuity of work*. Still in the field of measures aimed at seized companies, the Prefectures will be able to convene ad hoc tables, with the most representative trade associations, precisely to preserve the economic fabric of a territory.

The organisation of the National Agency (ANBSC) is partly modified and stricter rules are identified for judicial administrators, especially in the phase of assigning tasks.

The law also provides that some confiscated assets, due to their physical characteristics or for particularly symbolic reasons, may be temporarily assigned, even during the seizure phase, directly by the Court of Preventive Measures. Also within Law No. 161, it is established that asset prevention measures can also be activated by the National Anti-Mafia Prosecutor's Office and, by homogenizing the system to that of the District Anti-Mafia Directorates,

it is provided that the jurisdiction over these measures lies with the courts of the districts of the Court of Appeal.

The last change came in November 2018, with the cd. Security Decree: the sale of confiscated real estate to private individuals was introduced for the first time in Italy, a substantial change with respect to the principles of their reuse for public and social purposes provided for by Law No. 109/96.

Selling of confiscated assets only favours the clans, which could buy back the assets through figureheads and launder the illicitly accumulated assets and wealth.

Today, the provision of the sale under the conditions contained in the government decree will lead the risk to surrender in the face of the first difficulties related to the various territorial criticalities. After all, the sale was already possible to some categories of subjects, as a last resort and as such it must be considered and not a shortcut to avoid the problems that arise in the destination and assignment of assets.

3. The seizure and confiscation procedure under Italian law

The final confiscation is only the last act of the preventive procedure through which the assets illegally accumulated by the mobsters are taken away from them and definitively become the property of the State.

When we talk about preventive measures, peculiarities of the Italian rule of law, it is not necessary that the commission of a crime has been proven (as is the case in the case of criminal confiscation, which follows conviction at the end of a criminal trial).

The path of preventive confiscation begins with a series of in-depth patrimonial investigations ordered against individuals suspected of belonging to mafia organizations. As a result of these investigations and relying on the principle of disproportion between the declared income and the real standard of living of the applicant, the judge issues, without any adversarial hearing, the order of seizure

of the assets, which effectively freezes the assets subject to the preventive measure. On paper, therefore, the seized assets, and this is the most important thing to know, are no longer at the disposal of the mobster but are not transferred to the state's patrimony either.

However, there may also be cases in which, due to the particular symbolic value of an asset and in order to preserve it more effectively, from the seizure phase, it is entrusted to management for social purposes.

The seizure is followed by the adversarial phase, the one in which the "proposed" (this is the name of the person against whom the preventive measures are taken) will try to prove the legitimate origin of all his assets. If this does not happen, the next measure is that of confiscation at first instance, which is also a temporary measure, against which the applicant can appeal.

This phase can end either with the restitution of the assets to the applicant or with the issuance of the second-degree confiscation order, which may be followed by an appeal to the Supreme Court.

Only at the ruling of the court of second instance, and therefore immediately after the so-called confiscation of the second instance, do the confiscated assets pass under the management of the National Agency (ANBSC), which administers them until the issuance of the order of destination.

At this stage, the Agency may have a coadjutor who usually corresponds to the judicial administrator already appointed by the court. The final confiscation, therefore, takes place either following the ruling of the Court of Cassation or after the expiry of the terms established for appeals. Finally, the assets are taken out of the hands of the mafia and devolved to the patrimony of the State. **Once transferred to the public patrimony, of the State or local administrations,**

the law identifies two different paths of reuse of an asset definitively confiscated from the mafias: the institutional and the social. Reuse for institutional purposes is guaranteed directly by the National Agency (ANBSC) which, in connection with the other State Administrations, can order the use of confiscated assets for "purposes of justice, public order, civil protection", as the law states.

On the other hand, reuse for social purposes is usually determined by local authorities which, through public tenders, assign assets to a series of social entities, such as associations, cooperatives, groups and communities, as reported in Article 48, paragraph 3 of the Italian Anti-Mafia Code.

These subjects are called upon to carry out projects that have, in fact, social purposes: this is how family homes, socio-cultural aggregation centers, reception centers, shelters and all that varied universe of experiences related to the world of the third sector are born.

But this also gives rise to many experiences of economics capable of guaranteeing that these goods create income and productivity, according to a model of social economy that aims to promote the dignity of work and workers. Municipalities can also decide to use the assets on their own, such as public offices, schools and other useful services for citizens.

4. The international dimension

Over the years, the mafia phenomenon and criminal affairs have seen the expansion of their illicit business also in the European and international arena.

For this reason, LIBERA's international networks have also committed themselves to other countries in the European Union and Latin America to introduce the institution of confiscation and social reuse into their legislation. In particular, in Europe there is Directive EU/42/2014, which in Article 10.3 invites Member States to adopt measures that allow assets to be reused for public and social purposes.

To date, all the countries of the European Union have transposed the directive, but only nineteen have included a legislative passage on the possibility of public and social reuse of confiscated assets

Thanks to the commitment of the European network CHANCE (Civil Hub Against organized Crime in Europe) a mapping of existing practices was started, recording the presence of re-used goods in Spain, the Netherlands, France and pointing out the positive experience in this field realised in Albania, which despite not being directly subject to European directives as a non-EU country, provides us with important experiences of social re-use.

There is still a long way to go, as we ask in the European political agenda that we presented on 3 April 2019 to the European Parliament.

On 02 May 2024, the new EU directive on the recovery and confiscation of property was published in the Official Journal of the European Union: EU\2024\1260. The discussion, which has actively involved the European Commission, the European Parliament and the Council, aims to establish minimum standards at European level on tracking, identification, freezing, confiscation and management of criminal assets.

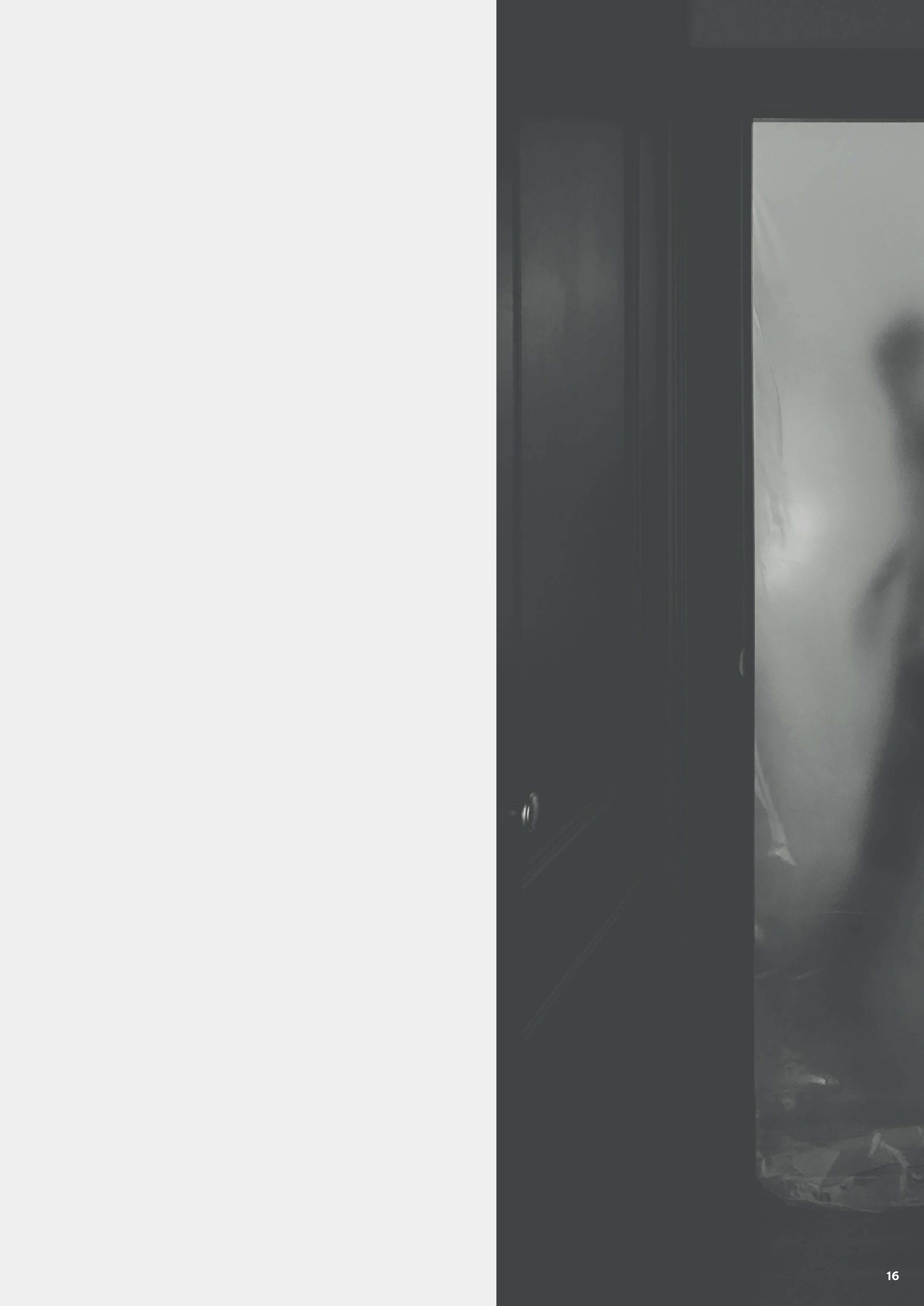
Some key points of this new regulatory framework:

- It will expand the possibilities to confiscate assets resulting from a wider range of crimes such as arms trafficking, fraud, trafficking in cultural property, including in circumvention of international sanctions, once the Commission's proposal on the extension of the EU list of crimes has been adopted
- It will allow the confiscation of "unexplained wealth" - unexplained wealth, linked to activities managed by criminal groups that have managed to hide the illegal origin of their property or assets;

- It will provide the Asset Recovery Offices (ARO) with a mandate to swiftly trace and identify the assets of criminal groups, including the urgent freezing of assets when there is a risk that assets may disappear;
- It will ensure financial investigations for crimes that can generate high profits;
- It will set up Asset Management Offices – AMO in all EU Member States to ensure that frozen assets do not lose value and allow the sale of frozen assets that are at risk or expensive to maintain;
- It will facilitate victims' right to compensation, allowing, if necessary, compensation through confiscated assets;
- It will strengthen safeguards to ensure that those affected have the necessary and effective remedies to protect their rights, such as the right to defence, to be informed and to challenge judicial decisions.

It is certainly a good thing that the text of this new Directive determines the establishment of offices for the recovery and management of assets, respectively ARO (Assets Recovery Offices) and AMO (Assets Management Offices) for their acronyms in English, in all Member States, as a necessary step for the acquisition of assets from criminal hands. It is also worth noting the political will to provide reparative measures to victims of organised crime through the proper management of confiscated assets.

However, the text of the Directive still lacks the obligation for Member States to adopt measures for the management of confiscated assets that provide for their social reuse: to date, it is still left to the discretion of the individual Member State, although it is recommended, the adoption of laws for the social reuse of assets confiscated from the Mafia, on the model of Italian Law 109/96.



IV. TRANSFER OF IDENTIFIED ASSETS TO MUNICIPAL OWNERSHIP: NEED FOR LEGAL IMPROVEMENT IN ALBANIA

Law no. 34/2019 "On the administration of seized and confiscated assets", amended by law no. 19/2020, dated 5.03.2020, does not mention or define in any of its articles the concept of social reuse of assets confiscated by organized crime and corruption, nor the right of local government bodies to take ownership of these assets and then giving them from the latter on user contract.

The social reuse of these assets has been limited thus far, facilitated primarily through a direct lending relationship between the Agency and NPOs operating in this sector. Consequently, the involvement of local government in this process is minimal. Furthermore, neither central nor local authorities (such as the Agency or Municipality) have provided additional funding opportunities to the NPOs, despite their significant contributions to the community through the provision of goods and services.

Also, Law no. 34/2019 "On the administration of seized and confiscated assets", amended by law no. 19/2020, dated 5.03.2020, determines that:

"Article 8 - Powers and responsibilities

The Agency has the following powers and responsibilities:

a) take over the seized and confiscated assets, according to the provisions of Article 3 of this law;

c.1) To oversee the allocation of seized property for utilization by state institutions and entities, both at the central and local levels, as well as by third parties, pursuant to the provisions set forth in normative act no. 1, dated January 31, 2020, of the Council of Ministers, titled "On preventive measures within the framework of enhancing the fight against terrorism, organized crime, serious crimes, and the reinforcement of public order and security."

ç) **performs the registration in favor of the state, under the responsibility and administration of the Agency**, of registered confiscated assets, in the relevant registers;

Article 23 - Transfer of property in favor of the state

1. Upon receipt of the court's decision regarding the confiscation of assets, the Agency shall, **within 30 days, formally request the relevant institutions to transfer the assets in favour of the state, under the administration of the Agency.**

Additionally, in accordance to the point 2 of the Decision of the Council of Ministers no. 888, dated 11.11.2020 "For determining the assessment criteria, ways and procedures for the use and alienation of confiscated assets", it is specified that the Agency for the Administration of Seized and Confiscated Assets (AAPSK), **upon receipt of the final court decision for the confiscation of the property, shall transmit it to the designated institutions responsible for effecting the transfer of ownership on behalf of the Agency.**

Also, based on this Decision, the forms of use of confiscated assets and the procedure for their use are as follows:

- a) **transition to administration responsibility** for central institutions and **transition for use to local self-government units;**
- b) **user contract to other beneficiary entities;**
- c) **leasing.**

Regarding point a), the transfer of administrative responsibility to central institutions and the transfer of use to local self-government units, upon proposal by AAPSK, the Interinstitutional Committee for Measures against Organized Crime decides on the disposal of confiscated assets, transferring them:

- **to the ownership of central institutions and/or local self-government units.**
- **for sale by auction**

As can be easily ascertained, the confiscated assets are registered in the name of the state, and the Agency for the Administration of the Seized and Confiscated Assets has the right to administer them, according to the definition of law no. 34/2019.

For the implementation of this law, especially its articles 8 and 23, the the Council of Ministers approved the Decision no. 888, dated 11.11.2020 "On the determination of evaluation criteria, ways and procedures for the use and disposal of confiscated assets".

Decision of the Council of Ministers no. 888/2020 exceeds this legal definition by determining that the AGENCY forwards the documentation to the State Cadastre Agency (ASHK) and requests the transfer of ownership on behalf of the Agency itself. So in this way the Agency becomes and is registered as the owner of the confiscated property, with all its entitlements.

According to the law no. 34/2019 the owner of the confiscated property is the STATE while the Agency only has the right to administer the confiscated property; while CMD no. 888/2020 makes the Agency, contrary to the law, both the owner of the confiscated property and the administrator of the property.

Not being the owner of the immovable property, the Agency *de jure* cannot give the confiscated property for use to the local government units.

On the other hand, this scheme, cannot stand logically; meaning that the Agency transfers confiscated property to local authorities for use, and then the latter has the right to transfer the property to NPOs for social reuse. **There cannot be a reassignment to NPOs of a property that has been taken for use by the Agency.**

Also, Decision of the Council of Ministers no. 888, dated 11.11.2020 "On determining the criteria for evaluation, methods and procedures for the allocation and disposal of confiscated assets," despite foreseeing the possibility for the seized property to be transferred for use or ownership to local government units, has not provided for the possibility for the latter to lend this property to NGOs for the purpose of its social reuse.

What distinguishes the social reuse of assets confiscated by organized crime and corruption from the traditional method of transferring them to the state budget (which is still the main option in many countries) is the visibility of these assets among citizens. Even in the context of traditional forms of reuse, these assets are generally used for public purposes (as they become part of the state budget).

However, those assets and their management are mixed with other public resources and funding, and in this way citizens cannot connect their public/social reuse with their original nature as assets confiscated by organized crime and corruption.

The social reuse of assets derived from organized crime and corruption in the strict sense of the term makes this connection clear: *the proceeds of crime are openly returned to society, thus spreading an important cultural message that promotes the so-called 'social fight' against organized crime and corruption.*

The social reuse of assets derived from organized crime and corruption should not merely be an academic concept within the field, but rather, it should be a significant component of Albania's legislative framework.

Considering the above, it is proposed to take the following legislative steps:

STEP 1

The amendment to law no. 34/2019 should explicitly define **which institution holds the right of ownership over a confiscated property and under whose name the institution registers this property in the State Cadastre Agency.**

STEP 2

The amendment to law no. 34/2019 should unambiguously stipulate that, **upon the Mayor's request, a confiscated property will be transferred to the ownership of the relevant Local Government Unit by the authority specified in point 1.** However, it should also include a provision that **this property will be earmarked for social reuse either by NPOs or by the respective structures of the municipality.**

STEP 3

Amendment of law no. 34/2019 should expressly authorize the issuance of the by-law/s by the Council of Ministers **on the procedure and manner in which the local government transfers the seized property it owns to NPOs for social reuse.**

V. IDENTIFICATION OF ASSETS THAT WILL SERVE FOR SOCIAL REUSE

Before starting the process for taking ownership and following the procedure for lending a confiscated property to NGOs, the Mayor:

*Must create **an idea regarding the activity** that will be developed in this property, the primary beneficiaries of this activity, as well as the connection between the activity and the definition in the law for the prevention and combating of organized crime, trafficking and corruption.*

2

*Must submit **a written request** to the Agency for the Administration of Seized and Confiscated Assets, correctly identifying the property data in the Register of Confiscated Assets. The request must be reasoned and must support and contain the most concrete answers to the following questions:*

***What economic and social problems** does the Municipality aim to address by assuming ownership of a confiscated property?*

*What are the **target groups or the main beneficiaries** that would benefit from the social reuse of the property by the NPOs?*

*What is the **expected impact** and effects that this initiative will have in the community?*

Considering the complexity inherent in such an initiative, which primarily relates to the nature of the property (confiscated due to organized crime and corruption) and the social impact it will have, the request should result from a thorough discussion involving all relevant structures within the respective Municipality.

This discussion should encompass the values that this initiative brings to the Municipality itself and/or the groups it serves, the challenges and risks it entails, collaboration with other stakeholders, compatibility with the Municipality's strategic plans at the local level, and more.

V. LENDING FOR SOCIAL REUSE OF THE CONFISCATED ASSETS PROVIDED TO THE MUNICIPALITIES

Law no. 34/2019 "On the administration of seized and confiscated assets," as amended, currently lacks the concept of social reuse of assets confiscated by organized crime and corruption. To address this gap, it is imperative to first amend the legal framework. **Subsequently, the Council of Ministers should adopt a special decision to normatively regulate the following issues and procedures:**

A) The principle and criteria of lending confiscated assets

As a general rule, confiscated property transferred to the ownership of the **Municipality will be allocated to Non-Profit Organizations (NPOs) through a public competition procedure.** This process involves granting them the right to use the property without compensation (user contract).

The Mayor has the right to conclude the user contract and to determine its terms for areas up to 200 m². For areas exceeding 200 m², the Municipal Council holds the authority to do so upon the proposal of the Mayor.

The duration of user contracts by local government bodies must be between 5 and 10 years, with the possibility of renewal in the event of successful fulfillment.

The competition criteria for property use to NPOs are as follows:

- *Purpose of use and nature of services: Clarification of the service/services to be provided and the target group, that will benefit from the use of the property.*
- *Assessment of the number of new jobs and the types of beneficiaries, aligned with the municipality's employment policies..*
- *Investment level: Evaluation of proposed investments in the property in the frame of infrastructural improvement.*
- *NPO experience: Consideration of the NPO's expertise in the relevant field of activity to be carried out on the requested property.*

The local self-government unit may set other additional criteria.

B) Contract user procedures

The municipality that owns the property for use prepares the documentation as follows:

- **the proposal (public call for applications by NGOs) for contract of use the object/asset**, which contains the field/s of activity that can be exercised in this asset and the term of the contract.
- **The general plan of the object/property**, drafted by a licensed topographic expert and validated by the manager of the relevant department in the Municipality, clearly defines the total land area, the area covered by the building, and the functional area (not covered by the building);
- **Confirmation from the relevant State Cadastre Agency** regarding the Municipality's ownership of the property (both the object and the land).
- The text of the user contract to be signed with the competition winner.

In the Mayor's order for the use of property, the following are defined:

- **Details of the property** under the user contract: name, area, cadastral area, and purpose of use.
- **Types of activities** that can be carried out at the property.
- **Criteria and evaluation framework** for applications based on the announced call.
- **Location, date, and time** for presenting competition documents.
- **Composition of the Commission** for reviewing competing NGOs' offers.
- **Documentation required** from applicants.
- **Dates for visit to the property**, during the competition period.

The notification and the corresponding order of the Mayor, is sent for publication in the Bulletin of Public Notices and the website of the Municipality.

The documentation presented by competing NGOs is submitted to the Commission and contains:

- **The subject's request** for a user contract of the property.
- **Description of project ideas** for the proposed activity, including data on the projected investments in the property and the object as a whole. This should be accompanied by projects, sketches, and other preliminary documentation, as well as details on the financing source for the project.
- **CV of the NPO**, highlighting experience in the field of activity intended for the property, supported by relevant documentation.
- **Copy of legal registration** of the subject.
- **Certification from the tax authority** confirming that the competing NPO entity has cleared all tax obligations or has none outstanding.
- **Certification from the court** confirming that the subject is not involved in ongoing criminal court proceedings, and certification from the prosecutor's office indicating that the subject is not currently under criminal prosecution.

Upon receiving the Commission's proposal and considering the documentation and ranking of the competing NPOs, the Mayor, empowered to conclude the user contract, selects the winning entity in the competition, for properties up to 200 m².

The announcement of the winner is displayed in the Municipality's designated announcement area and on its website. These procedures remain valid and applicable even if only one NPO participates in the competition.

After completing the aforementioned procedures, the process for concluding the user contract commences. If the winning entity withdraws, the contract conclusion procedures proceed with the entity ranked second. The contract is concluded even if only one NGO submits to the competition, provided that the above procedures have been followed.

The Mayor is authorized to finalize the user contract and set its terms for properties of up to 200 m². For user contracts exceeding 200 m², this authority rests with the Municipal Council, upon the Mayor's recommendation. In cases where the Municipal Council has approval authority, the Mayor submits the relevant draft decision, along with all documentation and a detailed accompanying report, for consideration. Alongside the draft decision, the text of the user contract is also submitted to the City Council. Upon approval of the decision by the City Council, the user contract is signed between the winning NGO and the Mayor.

C) Monitoring of user contracts

Monitoring of user contracts falls under the purview and direction of the Mayor who signed the contract. Monitoring activities are carried out by dedicated monitoring units established within the Municipality.

The user contract monitoring unit is responsible for the following tasks:

- After concluding the user contract, submit to the NPO the signatory of the contract with the record of the assets described in the contract, according to the relevant Gentplan. This record should comprehensively detail the physical condition of the property and its accounting value designated for use. It should be accompanied by photographs depicting the property at the time of record creation.

- When the contract term ends or when the contract is terminated prematurely, the Municipality takes possession of the assets it owns with a handover protocol.
- It monitors compliance with the terms of the user contract, and every 6 months, it prepares joint minutes with the NGO for this purpose. A copy of the minutes is sent to the Mayor of the Municipality and published on the Municipality's official website.

In performing its oversight function, the Municipal Council and/or its commissions are responsible for monitoring the implementation of user contracts signed and currently being executed by NPOs.

This oversight is carried out through the request for reports to the Council and/or Commission, site visits, and other methods of supervision, in accordance with the regulations governing the organization and operation of the City Council.

Ç) Validity of user contracts

User contracts for assets confiscated due to organized crime and corruption involving high officials and owned by local self-government units are valid until the end of their term.

The user contract, in accordance with the provisions outlined in the Civil Code, must also anticipate cases of termination before their deadline.



VI. CONCLUSIONS AND RECOMMENDATIONS

The social reuse of assets seized from organized crime and corruption represents an innovative approach to managing confiscated criminal assets, complementing other established methods such as asset sales, transfer to state institutions (institutional reuse), destruction, or leasing.

The reuse of confiscated assets resulting from criminal proceedings is a key component of criminal policy, serving as an indicator of its effectiveness, and also impacts budget policy by indicating the efficiency of revenue collection from assets that become state property. Therefore, repurposing assets for social use is not solely the responsibility of the Ministry of Justice or the Ministry of Finance but requires collaboration among various institutions.

Social reuse also implies that the tension between the principles of effectiveness (achieving the educational goals of criminal policy) and efficiency (collecting public revenues) is something overcome.

To reuse confiscated property means transferring assets seized from organized crime and corruption for the purpose of utilizing them at no cost for public interest or social endeavors by public institutions (local authorities) or non-profit organizations.

Social reuse is the only form of treatment of these assets that guarantees citizens the transparency of confiscated assets because what comes from crime is clearly returned to society. For example, a confiscated building purchased with money from a criminal who has committed serious criminal acts has market value as well as symbolic value. The building that becomes state property due to a final court decision shows that justice has been able to overcome injustice, lawbreakers are not immune, they are not role models, and crime is not an option for achieving social success.

By converting that building into a center for helping vulnerable groups or victims of crime, the state not only preserves this symbol but also fosters social trust. In this manner, social justice is achieved through the social reuse of confiscated property.

Albania **should adopt the best practices of European legislation** by incorporating the concept of social reuse of assets seized from organized crime and corruption into the legal framework. To achieve this, it is **imperative to amend Law No. 34/2019** "On the administration of seized and confiscated assets," as amended by Law No. 19/2020, dated March 5, 2020.

Also, in addition to the above, the following must be done:

- The amendment to Law No. 34/2019 should explicitly state that **assets confiscated from organized crime and corruption can be designated for social reuse**, allowing them to be transferred to local government bodies free of charge. These bodies can then utilize the assets themselves or provide them to NGOs for free use.
- The amendment to Law No. 34/2019 **must clearly define the institution entitled to ownership of confiscated property and specify under whose name the institution registers this property** in the State Cadastre Agency.
- Amendment of the law no. 34/2019 must clearly stipulate that **upon the Mayor's request, seized property will be transferred to the ownership of the relevant local government unit** by the governing authority, with the condition that the **property will be utilized for social reuse by NPOs or by the structures of the respective municipality itself**.
- Furthermore, **the amendment should expressly authorize the Council of Ministers to issue sub-legal regulations outlining the procedure and method by which the local government transfers the seized property**, acquired under its ownership, for free use by NPOs for social reuse.

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The Council of Ministers, following the principles and procedures outlined in this guide, **must adopt a specific decision** solely focused on enabling NGOs to utilize assets confiscated by local government units free of charge.

4

Transparency, accuracy, and continuous updating of the records of seized properties, managed by the Agency for the Administration of Seized and Confiscated Assets, must be ensured. Local self-government units and municipal administrations should be fully informed and acquainted with this mechanism and the innovations it introduces to local communities and Albanian society as a whole.

5

The NPO community should initially play an **advocacy role in advocating for legal changes and the approval of by-laws, and then exert the necessary "pressure" on local authorities** to launch and guarantee the success of these important instruments in benefit of the rule of law and the community.

PART II

SOCIAL ENTERPRISES

ECONOMIC EMPOWERMENT AND

INTEGRATION OF DISADVANTAGED

COMMUNITIES

I. SITUATIONAL ANALYSIS

Albanian legal framework for Social Enterprises

In 2016, the Parliament of Albania approved Law No. 65/2016 “On Social Enterprises in the Republic of Albania”. This Law aims to regulate the activity of social enterprises, to protect and promote social inclusion of vulnerable groups, through a) employment, within the framework of recognizing the fundamental right of individuals to have sufficient living resources, in accordance with human dignity; b) providing employment opportunities for persons whose age, health and family situation do not allow active availability in the labour market; c) providing goods and services in diverse forms and of good quality, ensuring appropriate and accessible opportunities for individuals with special needs, **as well as marking an essential step towards gender equality, as these services facilitate the participation of women in the labour market;** c) economic and social integration of groups in need, encouraging the spirit of responsibility, solidarity and social cohesion in the community (Article 2). Thus, the law explicitly states that social enterprises advance gender equality by providing goods and services that facilitate women's participation in the labour market.

This commitment is further echoed in the National Employment and Skills Strategy 2023 -2030. **Enabling decent employment for women and men through the implementation of inclusive labour market** policies is one of the priority goals of the National Employment and Skills Strategy 2023-2030[1]. *Priority measure 1*, under this goal, identifies social enterprises, among other entities, as key actors in delivering training and employment promotion programs to marginalized groups.

The approach of the legal framework on SEs in Albania is focused entirely **on the work integration social enterprise model** (Hoxha & Haska, 2019). According to Article 11, **“social enterprises contribute to social protection and the support of disadvantaged groups through their employment and provision of services to them”**.

The Decision of Council of Ministers (DCM) no. 56, dated 31.01.2018 “On determining the concrete categories of marginalized groups” defines a set of categories of marginalized groups: *beneficiaries of economic assistance and disabled individuals who are in an active working age; unemployed individuals for a long period of at least 12 months; individuals who are up to 24 years old or those who have completed higher education studies of not more than two years and have not started a job; single household, who has at least one child in his care; persons belonging to the age over 50 years; persons who become addicted or formerly addicted to drugs, alcohol or other psychotropic substances; persons who have not had their first job paid regularly since the beginning of serving a sentence of imprisonment, alternative punishment or any other type of criminal punishment; women living in rural areas (i) where the average unemployment rate exceeds 50% of the national average for at least two calendar years or(ii) where female unemployment is above 150% of the average male unemployment rate for at least two of the three calendar years; women and girls victims/potential victims of trafficking, exploitation and domestic violence; disabled individuals; refugees, as defined by the law on asylum; asylum seekers; individuals with supplementary protection; individuals with temporary protection; refugee family members; family members of an individual who has been granted supplementary protection status; stateless individuals; homeless individuals; former prisoners; individuals with different gender identities and different sexual orientations.*

On one hand by including women in these categories (while not excluding them from others where women are not explicitly mentioned), the government recognizes the specific challenges and vulnerabilities faced by women in accessing employment.

[1]https://arkiva.financa.gov.al/wp-content/uploads/2023/10/National-Employment-and-Skills-Strategy-2030_EN.pdf

On the other hand, there are no specifications regarding the type and form of the document needed to prove that an employee belongs to one of these categories.

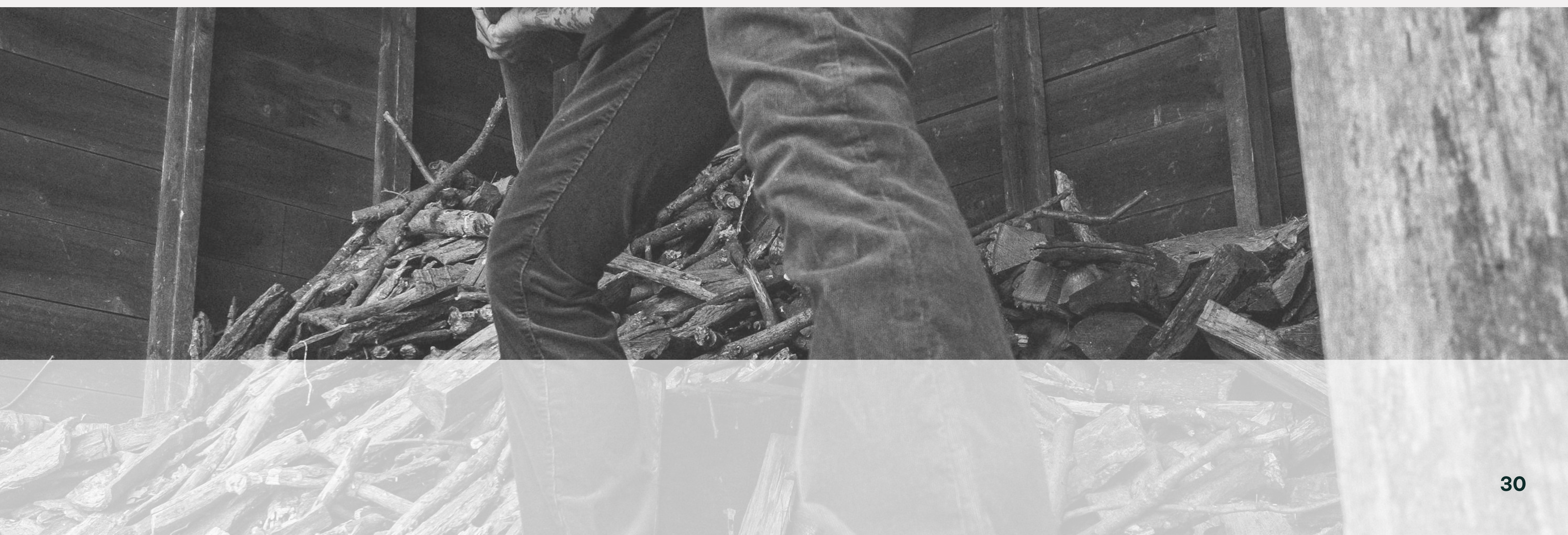
Obtaining the relevant document is nearly impossible. For example, for women living in rural areas besides the difficulty in obtaining a proof document, it remains unclear whether they must fulfil both conditions to qualify under these categories. The absence of specifications regarding the type and format of the proof document for the categories mentioned in DCM no. 56, dated 31.01.2018, was identified by both the Ministry of Health and Social Protection and social enterprises seeking the status of "social enterprise" (Sherifaj, 2022).

In 2023, the Ministry of Health and Social Protection approved Decision No. 174, dated 24.03.2023 "For determining the forms of support through subsidy for social enterprises for the period 2023-2025".

SEs that have obtained the status of "social enterprises" are the only eligible entities that applied to this financial scheme. Article 7 of the decision stipulates that not less than 50% of the employees should be from the State Economic Assistance Scheme (point c). This condition excludes social enterprises, which have received the status of social enterprises and work with other categories, including those working with women in rural areas or those victims/potential victims of trafficking, exploitation and domestic violence as defined by the DCM no. 56, dated 31.01.2018.

In light of the challenges identified in the legal framework governing social enterprises in Albania and considering the impact on the inclusion of vulnerable groups, particularly women, the Albanian government should refine the eligibility criteria for social enterprises to ensure that they effectively target and include marginalized individuals, including women in rural areas and victims of trafficking and exploitation. This involves clearly defining the types of documentation required to verify eligibility.

Decision No. 174, dated 24.03.2023, should be reviewed to ensure that subsidy requirements promote inclusivity and equal access for all marginalized groups. Exclusionary conditions, such as the stipulation that 50% of employees must be from the State Economic Assistance Scheme, should be reconsidered to prevent the marginalization of social enterprises working with other vulnerable groups.



A gender perspective analysis

As of January 1, 2022, women comprised 50.3% of Albania's population and represented 65.3% of university graduates in 2020.

Women predominantly graduated in fields like business, administration, law, health, wellbeing, arts, and humanities. In 2021, 24.1% of active legal entities contributing to Albania's GDP were led by women, with the highest representation found in the public sector and NGOs.

Women led around 31% of all companies in Albania, with the highest share observed in natural persons' legal forms. Most women-led enterprises had 1-4 employees. Disaggregated by region, in Durrësi, only 28.3% of enterprises are owned by women, in Elbasan 28.6%, in Fier 29.8%, in Gjirokastra 29.1%, in Shkodra 28.5%, and in Vlora 31.5%.

The top industries for women-led enterprises were "Other Services," "Trade," and "Accommodation and Food Services." However, women's representation in agriculture remained low, with only 10.8% of farmers being women in 2021 (RCC, 2022).

At the end of 2021, Tirana Municipality hosted 46,926 active enterprises, with a stable trend over the past five years. These businesses are categorized into agricultural farms, legal persons, and legal entities, with legal persons and farmers constituting around 70% of the total.

Despite this, the majority of businesses in Tirana, about 83.6%, have fewer than four employees, indicating a prevalence of small-scale enterprises. Approximately 34% of registered businesses in Tirana are managed by women, with little variation observed over the past five years. While there is a growing trend in agricultural enterprises, other forms of businesses, mainly legal entities, have shown a gradual decrease (UN Women, 2021).

Durrës Municipality boasts a strong economy, ranking second in Albania after Tirana, with over 5600 economic activities and 15% foreign investments.

Of the 9627 active enterprises in Durrësi, 29% are administered by women. However, the number of active businesses has remained relatively constant over the last five years.

The majority of businesses fall under legal persons and agriculture, constituting over 85% of all businesses. Despite this, only a small fraction of businesses have over 10 employees, indicating a prevalence of small-scale enterprises.

The discrepancy between the number of agricultural farms and the population suggests a high level of informality in the municipality. Women manage approximately 29.2% of registered businesses in Durrësi, showing little change over the past five years (UN Women, 2021).

II. METHODOLOGY

Partners Albania employed a range of methodological tools for this study. The following sections provide an overview of the methodological approach.

a) Literature Review

The literature review was conducted based on the prevailing legislation up to the date of this report's publication. This **included a comprehensive review of the national legal framework concerning employment and skills, through the gender lenses.** The review encompassed not only laws approved by the Albanian Parliament but also key by-laws, regulations, decisions of the Council of Ministers, directives, and regulations issued by other relevant authorities. Additionally, national and international studies and reports focusing on women's inclusion, value chain development in Albania, and various needs assessment reports related to the study were consulted.

b) Data gathering and analysis

Partners Albania collaborated with thirteen (13) supported Social Enterprises (SEs), including five (5) SEs established in confiscated assets from organized crime (OC). Representatives and beneficiaries of these SEs were interviewed to analyze the current situation and develop recommendations for the future.

c) Sampling

The sampling was undertaken focusing on the categories below:

a) Representatives of Social Enterprises (SEs) in Albania. The study sample consisted of thirteen (13) supported SEs, from CAUSE and TWIST projects, including five (5) SEs in confiscated assets from organized crime (OC)

operating in Durrësi, Fieri, Shkodra, Gjirokastra, Elbasani, Fushe-Arrezi, Memaliaj, Roskoveci, Saranda, and Tirana. The primary instrument used was a standardized questionnaire administered through direct interviews with SEs' representatives, supplemented by the organization of a focus group. The focus was on assessing the current situation of the supported SEs, the services they provide, and the impact of their activities on disadvantaged groups, with a specific focus on gender inclusion. The study also aimed to identify challenges, potential for job creation for disadvantaged categories, and the need for support services to further develop these enterprises in Albania.

b) Beneficiaries of the Social Enterprises (SEs) in Albania. A standardized questionnaire was used in direct interviews with approximately 70 beneficiaries of the SEs. These beneficiaries included employed women and girls in the SEs, unemployed women benefiting from capacity-building programs offered by the SEs, other disadvantaged women benefiting from social services provided by the SEs, as well as youngsters. The interviews collected general data on employment capacities, levels of qualification, specific requirements for further skills and qualifications, employment recruitment methods, preferences for positions and professions, and interactions with state institutions responsible for employment. This aimed to identify issues related to fields, categories, and professions with significant employment potential in the market.

c) Additional information regarding the role of public institutions in supporting skills development and employment of marginalized groups, with a special focus on employed women and girls, was obtained through direct interviews with representatives of SEs and their beneficiaries. These interviews provided insights into the effectiveness of public support mechanisms in facilitating skill development and employment opportunities for marginalized groups.

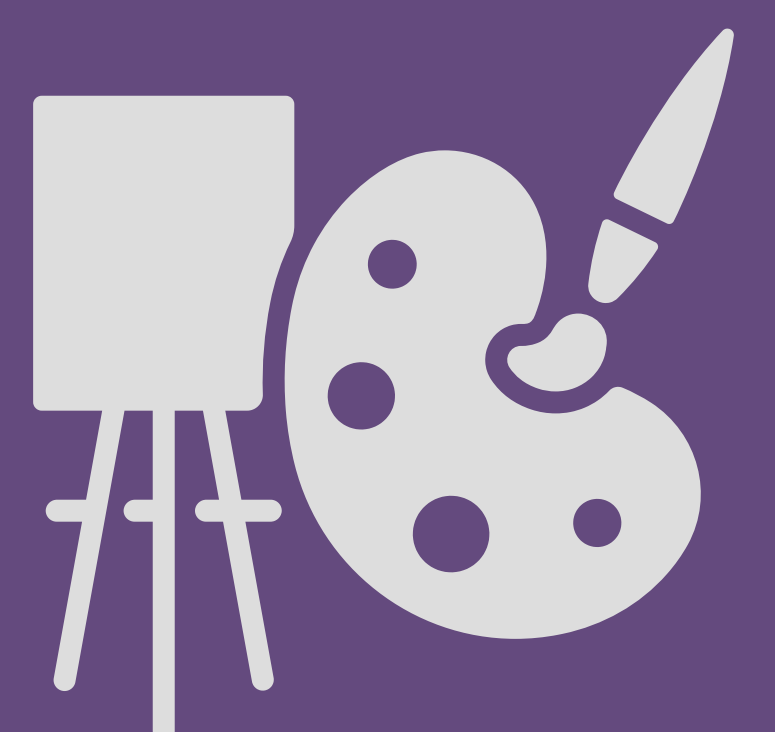
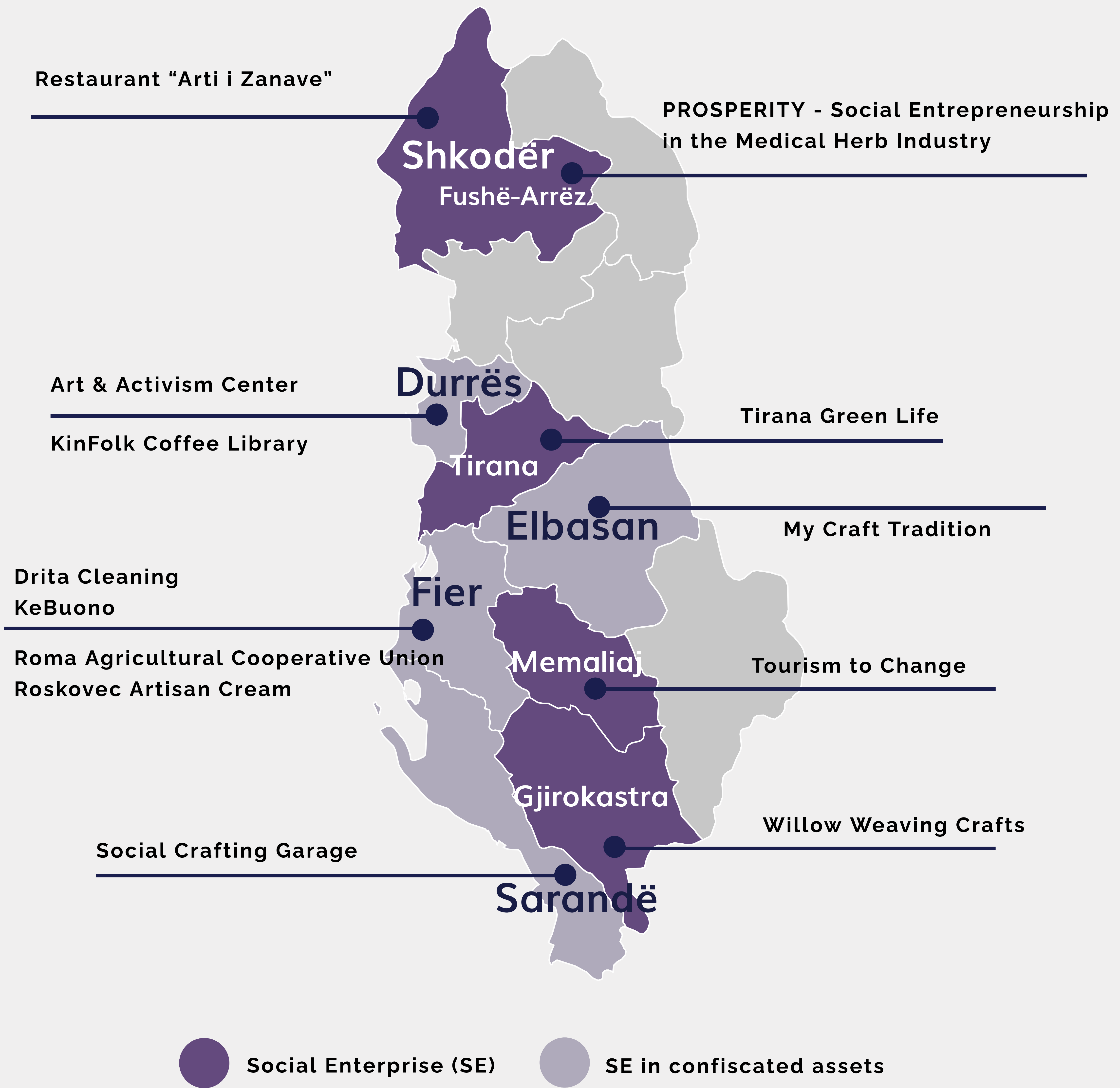
Focus groups and direct interviews with the representatives of the SEs

The focus group was held with the main representatives of the social enterprises, i.e. the directors of these social enterprises. The focus group was instrumental in delving into participants' experiences and challenges concerning employment and self-employment opportunities within the sectors where SEs operate. It also facilitated discussions on the inclusion and participation of women, disadvantaged, and vulnerable groups within their respective sectors, thereby contributing to a more comprehensive understanding of the dynamics and needs within the social enterprise landscape.

The following SEs are targeted in the study:

| Social Enterprises | Managed by | City |
|---|--|---------------------|
| My Craft Tradition | JOSCELYN Foundation | Elbasani |
| New Art & Activism Center | DURRESI Active | Durrësi |
| KeBuono | Enti Kombëtar i Joseneve të Murialdos ENGIM në bashkëpunim me with Qendra Sociale Murialdo | Fieri |
| Social Crafting Garage | Institute of Development, Migration and Integration (IDM) | Saranda |
| KinFolk Coffee Library | Fondacioni Arsimor Shqiptar in partnership with Civil Society Development Center, Durrës | Durrës |
| Drita Cleaning | Voice of Roma | Fier |
| Roma Agricultural Cooperative Union | Together for the Integration of Roma Community (TIRC) | Baltëz |
| Willow weaving crafts in Gjirokastra | Association Multifunctional for Culture, Education & Development | Gjirokastrë |
| Restoranti "Arti i Zanave" | Women Center Light Steps | Shkodër |
| Tirana Green Life | Centre for Culinary Education (QEK) | Tiranë, Kamëz, Vorë |
| RoskovecArtCream - Roskovec Artisan Cream | Women Community Environment | Roskovec, Fier |
| PROSPERITY - Social Entrepreneurship in the Medical Herb Industry | Association "Social Center in Help of People in Need"- Fushë-Arrëz | Fushë-Arrëz |
| Tourism to Change | CELIM Albania | Memaliaj |

Geographical distribution of SEs



SEs established in confiscated assets from the organized crime and corruption in Albania

In Albania there are established five (5) SEs in confiscated assets from organized crime and corruption in four different cities: Durres (2), Fieri (1), Saranda (1) and Elbasani (1).

The proactive efforts of civil society actors in Albania successfully challenged skepticism and prompted a notable shift in the mindset and practices of state institutions regarding the management of confiscated assets.

It's inspiring to see civil society's impact in driving positive change and restoring stolen resources back to the community where they belong and contributing directly in:

- Education, integration, and employment opportunities for marginalized groups affected or at risk of being affected by organized crime.
- Products and services for citizens.
- Social, cultural and awareness raising activities for the community.



CENTER ART AND ACTIVISM



CENTER ART AND ACTIVISM is the newest social enterprise established in a confiscated asset, in Durrës in September 2023 under the framework of TWIST project.

Serving as a vibrant hub for artistic expression, cultural engagement, and civic capacity building, the Center extends a warm invitation to professional artists and creators to showcase their talents.

Functioning as both a gallery space for exhibiting a rich tapestry of artwork and a marketplace for various artistic wares such as paintings, sculptures, and handicrafts originating from Durrës, the Center aims to provide a platform for local artists to shine.

The social enterprise will support and empower **twenty young artists**, including students from artistic high schools, female artisans specialized in handcrafted goods, freelance painters, photographers, and anyone deeply connected to the realms of art and community.

Furthermore, the art space endeavors to foster connections among artists, local institutions, and interested individuals, thereby facilitating exploration of diverse income streams through the organization of art exhibitions and craft markets.

The revenues generated from the sale of arts and crafts not only bolster the economic standing of their producers but also contribute to the long-term sustainability of the social enterprise."

Art & Activism Center is managed by Durrësi Active, Durrës.

MY CRAFT TRADITION

My Craft Tradition, stands as another social enterprise, established since 2022, in a confiscated asset from organized crime in Elbasan. The enterprise has contributed to the employment of long-term unemployed women, uplifting them economically by offering meaningful employment and a sense of professional identity as artisans.

In the framework of TWIST project, **five artisan women** have been employed and other ten unemployed women are undergoing advanced training to refine their artisanal skills under the mentorship of employed women within the enterprise.

Moreover, the project aspires to reach a wider audience, particularly targeting **100 young individuals**, with a balanced gender representation (60 females and 40 males), who express interest in artisanal crafts. Through capacity building programs, the youngsters will enhance their skills contributing to their personal development in this regard.

My Craft Tradition is managed by Joscelyn Foundation, Elbasan.



KEBUONO



KeBuono, a social pastry venture, has been operating within a confiscated asset in Fier since January 2018. Offering a diverse array of pastry products, KeBuono also engages in integration activities involving children, parents, adolescents, students, and women, all with the aim of fostering a culture of legality and non-violence within the community.

The enterprise provides vocational educational training specifically tailored for young individuals who have a history of incarceration or whose families are currently facing socio-economic challenges.

A noteworthy component of KeBuono's contribution is its commitment to empowering marginalized groups. 75% percent of the personnel comprises **young people, girls, and women who have been affected by or are at risk of organized crime** in the community of Fier.

Since its inception, KeBuono has successfully employed **four women and girls** who were either at risk or victims of organized crime.

Furthermore, **nine young individuals** have completed vocational education training programs, out of which **seven have been employed**, underscoring the enterprise's tangible impact on empowering vulnerable members of the community, and facilitating their integration into the workforce.

KeBuono is managed by Enti Kombetar i Joseneve të Murialdos ENGIM in partnership with Qendra Sociale Murialdo.

SOCIAL CRAFTING GARAGE

Social Crafting Garage is a workshop set-up in a confiscated asset in Saranda, since May 2019, were women and girls - victims or at risk from organized crime and domestic violence, make handicrafts using natural stones from the beach (colorful, one color, flat, rock, glassy, etc.). The stones are painted, drilled, carved and wired, creating various handicraft products ready for the market. The stone designs are linked to the cultural heritage and folklore genre making these products unique, valuable, and competitive in the artisan market, providing long-term income generation.

Giving a new face to the seized asset, the enterprise sends a strong message on the value that the social re-use of such assets has in supporting social inclusion and economy of the local communities.

Since its creation, **eight women & girls, victims or at risk of organized crime and domestic violence have been trained and employed** on stone handicraft production and over 3,000 handicraft products produced with sea stones have been created and marketed. These accomplishments not only underscore the enterprise's commitment to empowering marginalized individuals but also highlight the transformative power of creative entrepreneurship in revitalizing communities.

Social Crafting Garage is managed by Institute of Development, Migration and Integration (IDM).

INAUGURATION



KINFOLK COFFEE LIBRARY

KinFolk Coffee Library was a social enterprise set-up in May 2019 in a confiscated asset from organized crime, in Durrës, being transformed into a friendly environment for young people, especially those at risk of juvenile delinquency, their families and citizens. By engaging them in social, cultural, and educational activities, Kinfolk served as a measure to counteract youth involvement in illegal activities. Kinfolk was a multifunctional center where youngsters met, learned from a wide range of trainings, learning courses, social and cultural activities, and spend free time.

KinFolk employed **three young people** from vulnerable groups, engaged **150 youngsters and students** in educational, artistic, and cultural

activities, and organized 27 educational courses on foreign languages and exact sciences with youngsters and seven (7) capacity building programs on leadership, advocacy and lobbying, etc. The Coffee Library was open to all organizations, schools, and institutions for the organization of their activities until 2022.

KinFolk Coffee Library has been managed by Fondacioni Arsimor Shqiptar in partnership with Civil Society Development Center, Durrës.



Information gathered from the participants in the focus group was categorized in three main pillars:

Information regarding opportunities for women's employment and self-employment in the designated sectors:

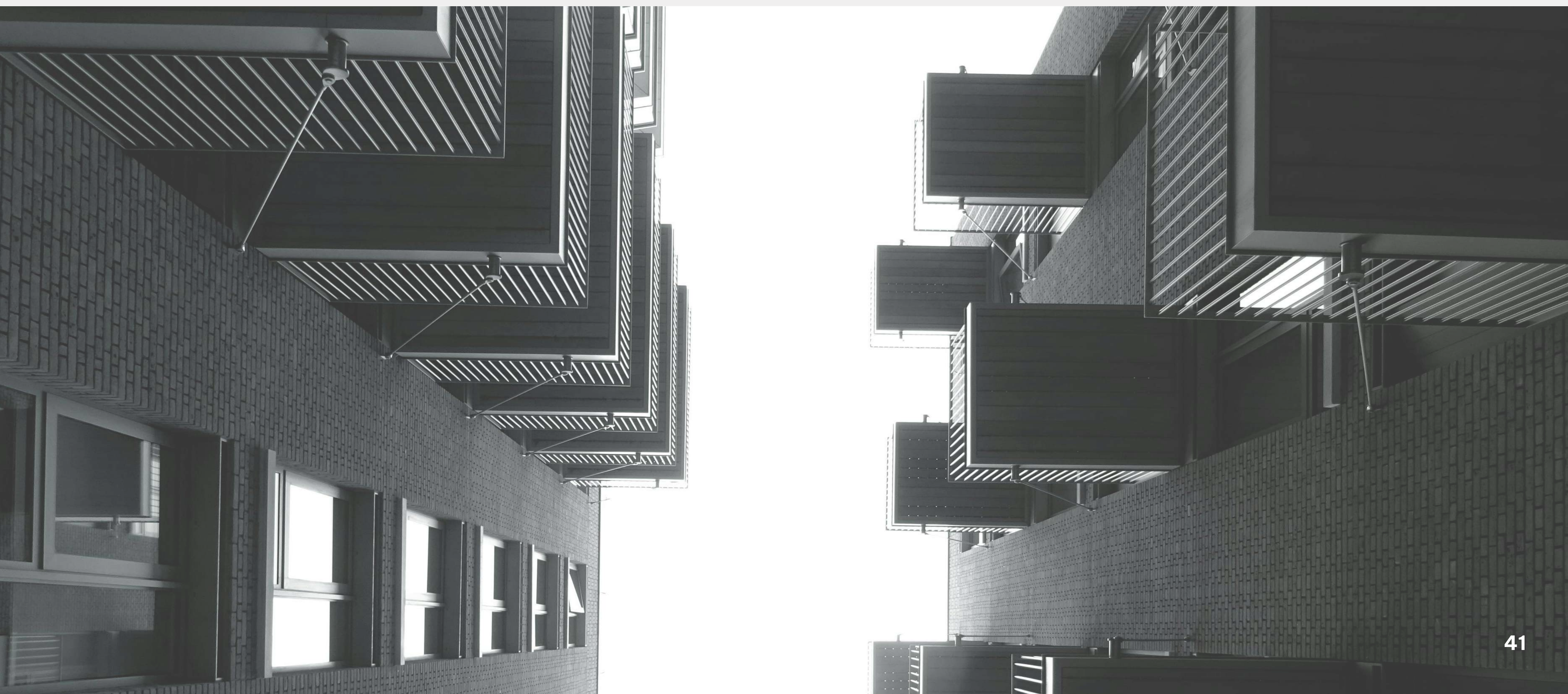
- Insights into the current employment landscape for women within sectors 1-6.
- Challenges and barriers faced by women seeking employment or engaging in self-employment in these sectors.
- Potential growth areas and opportunities for enhancing women's participation and empowerment.

Opportunities for women employment in specific social enterprises:

- Detailed information on employment opportunities specifically offered by the social enterprises present.
- Factors contributing to successful employment or self-employment experiences for women within these enterprises.
- Areas for improvement or expansion of employment initiatives targeting women.

Opportunities for supporting women-related initiatives and activities from collaborators and relevant institutions:

- Collaborative efforts and support mechanisms available from external stakeholders and institutions to promote women-related initiatives.
- Best practices and successful models for supporting women's initiatives within the social enterprise ecosystem.
- Recommendations and strategies for fostering stronger collaboration and support from collaborators and institutions towards women's empowerment initiatives.



Questions addressed to the representatives of Social Enterprises

The main questions addressing the sectors' opportunity for women employment and self-employment are:

- The situation regarding the employment of women specific sectors. Is there involvement / participation of women in this sector? Percentage of women employed in the sector?
- Employment conditions for women and girls in (this) sector.
- Opportunities of the sector to increase the inclusion/participation of women and girls.
- The number of other women and girls, entrepreneurs in the related sectors.
- Stakeholders (entities, agencies, organizations, businesses) that provide support initiatives for gender inclusion / gender equality in (this) sector, and their concrete initiatives.

The main questions addressing the specific social enterprises' opportunity for women employment and self-employment are:

- Identification of the target-group;
- Percentage of women employees in the enterprise.
- Identifications of the main processes where women and girls are involved and the equipment with the necessary skills to perform in them, also addressing the need for capacity building in this direction.
- Identification of gender stereotypes in relation to work / processes when women and girls are involved.
- Identification of factors that prevent the employment of women in (this) enterprise.
- Identification of possibilities for women to be employed in (this) enterprise and of opportunities improve working conditions for women and girls.
- Opportunities and obstacles for women and girls to set up and establish their own social enterprise.

The main questions addressing the institutional support for the social enterprises, with a specific focus on the opportunities for inclusion of women and disadvantaged groups, were related to:

- Identification of the stakeholders (institutions) with whom SEs should cooperate or address to reach the designated group of beneficiaries.
- Institutional strategies and/or policies to support women's economic empowerment or involvement in entrepreneurship as employees.
- Institutional support regarding the provision of supporting documents related to the status of the target groups.
- Provision of recommendations for addressing specific challenges and needs.

Focus group related findings, sectors specific

Identification of the specific sectors: the selected social enterprises operate in the following sectors: Medicinal and Aromatic Plants (MAPs); the crafts and cultural heritage; environment and tourism; cleaning services; agriculture; visual arts and artisans; traditional food products, catering, handcrafts, and artisans' work and cosmetics.

Regarding the **involvement and inclusion of women** in the targeted social enterprises, and opportunities to get employment opportunities, the majority of the participants declared that each sector provided different opportunities for women employment, but that these opportunities are not met on a regular basis. For instance, in the **MAPs Sector**, traditionally, men are more involved, with women participating primarily on a seasonal basis. Women are engaged in processing while men handle sales due to prevailing cultural norms.

In the **Traditional Food Production sector**, women are primarily engaged in production and handwork tasks, but there's a notable absence of women in managerial roles.

In the **Artisan and Crafts sector**, women play a significant role in crafting carpets and textiles, yet there's a high unemployment rate among them, contributing to market instability. Formalization of employment is lacking, considering that women prefer to continue working informally, rather than not having access to the economic aid provided by the state authorities.

In the **Agriculture sector**, women's participation is substantial, especially in greenhouse work, accounting for approximately 80% of the workforce. However, ownership rights and formalization remain skewed towards men.

Regarding the **Cosmetics sector**, they are predominantly populated by women, particularly in cosmetics, where women make up 100% of the workforce.

In the **Tourism and Hospitality sector**, women face limited opportunities, with most positions occupied by men. Bars and restaurants are largely male dominated. Regarding the **Cleaning Services sector**, while there's a notable 40% participation rate of women, there's potential for this to increase. However, gender stereotypes influence job allocation, with reluctance towards all-male cleaning teams.

Opportunities for employment and self-employment of women. Regarding the opportunities for self-employment that each of the sectors represent, participants declared that there is low rate of women entrepreneurs or enterprises that are managed and directed by women. Despite having the initiative and the drive, the women inclusion is mainly through employment. In the MAP's sector, only one farm is registered under the name of the woman farmer, operating with the Farmer's Nuis. Working conditions vary across sectors, considering that some women work from home, but face challenges such as inadequate infrastructure and lack of support. In sectors like cosmetics, there are concerns about the quality of working conditions and premises, hindering the attraction and retention of female employees.

Lack of dedicated supporting mechanisms for SEs. The major issue resides in the lack of supporting mechanisms for the social enterprise to apply and benefit from the available funding, also considering the sector of operation of these enterprises.

All participants highlighted the lack of specific funding calls for social enterprises. Even when such calls exist and social enterprises are eligible to apply, meeting the main specifications and requirements often proves difficult. This becomes a barrier for social enterprises to expand their workforce or target women specifically as potential employees. Participants noted that social enterprises struggle to provide adequate working conditions and afford employment payments, further hindering their ability to attract and retain workers. Despite these challenges, there is significant potential for increased inclusion of women, especially in sectors like agriculture and crafts. However, addressing issues such as market support and infrastructure is essential to effectively facilitate this inclusion."

Collaboration and Institutional Support. The majority of participants in the focus group highlighted the lack of institutional collaboration or support. There is limited involvement from entities and businesses in supporting gender inclusion initiatives. Greater support and promotion, especially from municipal authorities and through inter-institutional cooperation, are essential to overcome existing barriers and biases. In essence, while women are actively involved in various sectors, their full inclusion and entrepreneurship potential are hindered by cultural norms, lack of support, and infrastructure deficits. Overcoming these challenges requires collaborative efforts from various stakeholders to create an enabling environment for women's economic empowerment.

Focus group related findings, specific to the SEs

Regarding the technical expertise and opportunities for women to participate and operate in more processes within each of the social enterprise, participants expressed different levels of expertise and needs for capacity building in this regard.

Related to the SE operating in the cosmetics sector, women employed here possess EU-licensed certificates and expertise in soap production, where out of 50 women licensed to perform in the designated roles, 12 operate in the specific social enterprise, indicating a foundation of technical skills. Offering training by the senior women employees to those lacking skills, also shows a commitment to capacity building within the workforce.

Regarding social enterprises (SEs) operating in the agriculture sector, participants mentioned that various marginalized groups, including people with disabilities, unemployed individuals, and asylum seekers, have expressed

interest in employment and working in different agricultural processes. However, the main difficulty lies in the selection process. Providing such employment opportunities would benefit 20 families in the region.

Training opportunities are available, particularly focusing on vulnerable groups and equipping them with the necessary skills for agricultural work. Collaboration with municipalities to involve young people demonstrates a multi-stakeholder approach to fostering engagement in the sector.

Regarding the SE operating in the food production sector, participants declared that women in the SE have state-certified experience but require training tailored to workplace demands, indicating a need for targeted skill development programs. The reliance on the Labor Office for employment underscores the importance of government support and infrastructure in facilitating workforce participation.

Regarding social enterprises (SEs) operating in the crafts and artisan sectors there is a strong emphasis on preserving traditions and passing them down to younger generations, which underscores both cultural and economic considerations. Efforts by the municipalities, and other institutions at central and local level to provide exhibit spaces for products and encourage participation, particularly among marginalized groups like the Roma community, reflect proactive measures to promote local products and economic development. However, improving working conditions remains a priority.

Concerning employment opportunities for women, the lack of education and training emerges as a significant obstacle, indicating the need for accessible and relevant skill development programs. Complex application procedures for support programs may deter potential candidates, underscoring the need for clearer processes and guidance.

Aligning training programs with market demands is crucial to enhance employability, especially for women and disadvantaged groups.

Financial support was unanimously highlighted by all participants as a critical factor in establishing social enterprises, emphasizing the necessity for investment and funding mechanisms specifically tailored to women entrepreneurs.

In summary, while there are promising initiatives and opportunities for women's economic empowerment across different sectors, addressing challenges such as skills development, access to support programs, and financial resources is crucial for driving sustainable employment and entrepreneurship opportunities for women and girls.

Focus group related findings, specific institutional support, and collaboration with the main stakeholders

To effectively reach the target beneficiaries, which are primarily women from disadvantaged groups, cooperation with various institutions is crucial. The main stakeholders identified, with whom the SEs cooperate mostly, and their challenges are:

The employment office: Almost all participants expressed appreciation for the potential employment opportunities provided by this institution but also noted a lack of job coordination in terms of matching supply with demand. While the National Agency for Employment and Skills (NAES) offers professional courses to enhance skills and employability, there is a need for revised employment criteria, particularly for disadvantaged groups like the Roma community with lower levels of education. It is necessary to

adopt policies and procedures that support women's economic empowerment and the inclusion of disadvantaged groups.

The Municipality provides support and coordination for employment initiatives. However, participants stated that the institution lacks an effective planning mechanism and struggles to coordinate with other institutions due to limited human resources and capacity within the municipality. This makes it challenging to fulfill all the institution's responsibilities and establish designated positions related to employment or sector-specific roles.

CSOs operating in the specific sectors, provide valuable insights into the needs of women and marginalized groups.

Participants identified the lack of coordination and information sharing within institutions as the main issue. There is a pressing need for policies and solutions to address employment needs, particularly for vulnerable groups. Additionally, the shortage of specialized staff and dedicated positions hampers effective support.

Regarding policies and procedures for women's economic empowerment and entrepreneurship, there appears to be a gap in implementation and effectiveness. While programs exist, they often do not meet real needs or lack consistency. Better alignment between community needs and program offerings is needed, along with ensuring individuals have the capacity to be independent after program completion.

Documentation plays a crucial role in ensuring employees come from disadvantaged groups. However, obtaining documentation is often challenging and time-consuming, creating a barrier to accessing support services. Simplifying the documentation process and providing support for vulnerable groups could facilitate their inclusion in employment programs.

In conclusion, there is a need for improved coordination between institutions, streamlined processes for accessing support services, and targeted policies to support women's economic empowerment and the inclusion of disadvantaged groups in the workforce.

III. FINDINGS FROM THE STUDY

Direct interviews with the beneficiaries of Social Enterprises

Direct interviews were conducted with approximately **70 beneficiaries** of social enterprises (SEs), *including:*

- *employed women and girls within SEs*
- *unemployed women benefiting from capacity-building programs offered by SEs*
- *other disadvantaged women benefiting from social services provided by SEs, as well as young individuals, among others.*

These interviews collected general data on employment capacities, levels of qualifications, specific requirements for further skills and qualifications needed, methods of employment recruitment, preferences for positions and professions, and interactions with state institutions responsible for employment.

The goal was to identify issues related to fields, categories, and professions with significant employment potential in the market.

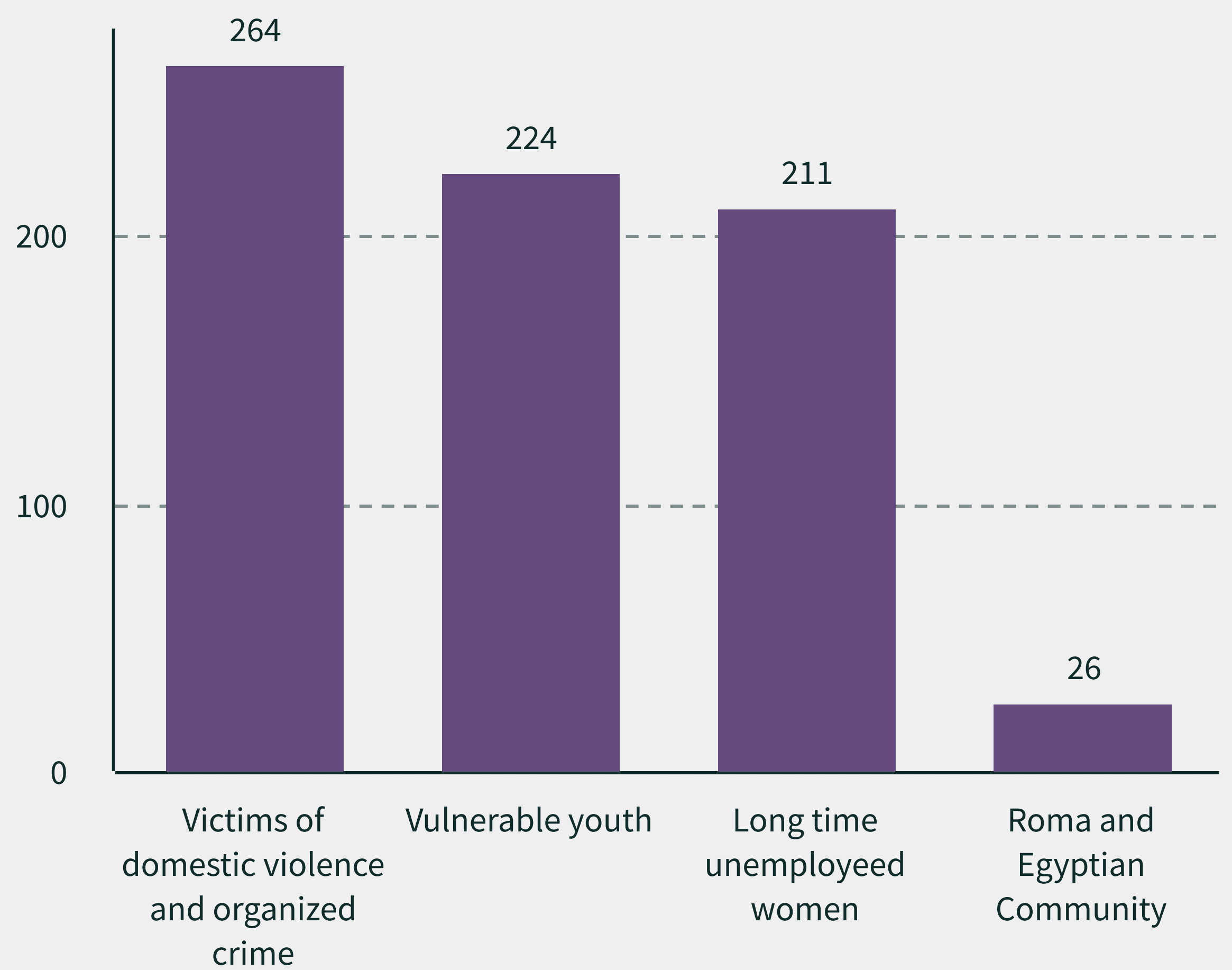
Some of the questions addressed with the beneficiaries of SEs were:

- *To which disadvantaged group do they belong? How did they prove their status? Required documents issued by relevant institutions and challenges encountered?*
- *What were the employment criteria and challenges of fulfilling them?*
- *In what work processes were mainly engaged? Are there gender stereotypes in relation to the work processes engaged in?*
- *Do they possess the necessary skills to perform according to the required standards? Is there a need for further qualifications, skills development?*
- *Has the employment rate changed (increased/decreased) in the SEs during the last 1- 5 years? Do they see opportunities for an employment rate increase with regards to new potential beneficiaries in the actual SEs?*
- *What factors might influence the sustainability of the SEs with a direct impact on employment?*

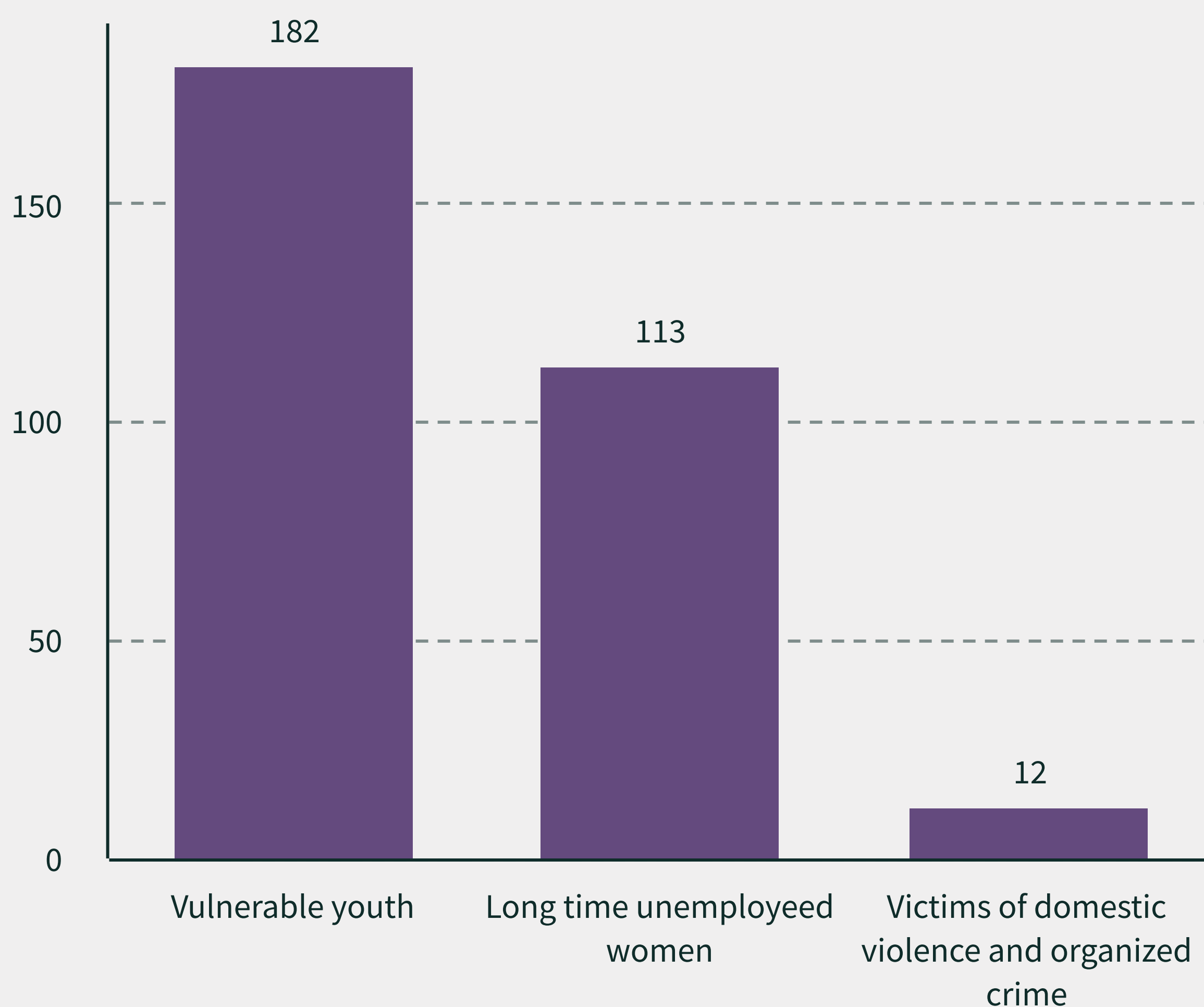
Direct interviews related findings

The main categories of beneficiaries of the thirteen (13) SEs targeted in the study are: **longtime unemployed woman, woman victims of domestic violence and organized crime, Roma and Egyptian community, and vulnerable youth.**

According to data obtained from the study the total number of direct beneficiaries from 13 SEs (5 in SEs in confiscated assets) is **725 persons** (Graph 1).



Graph 1: Categories of Beneficiaries

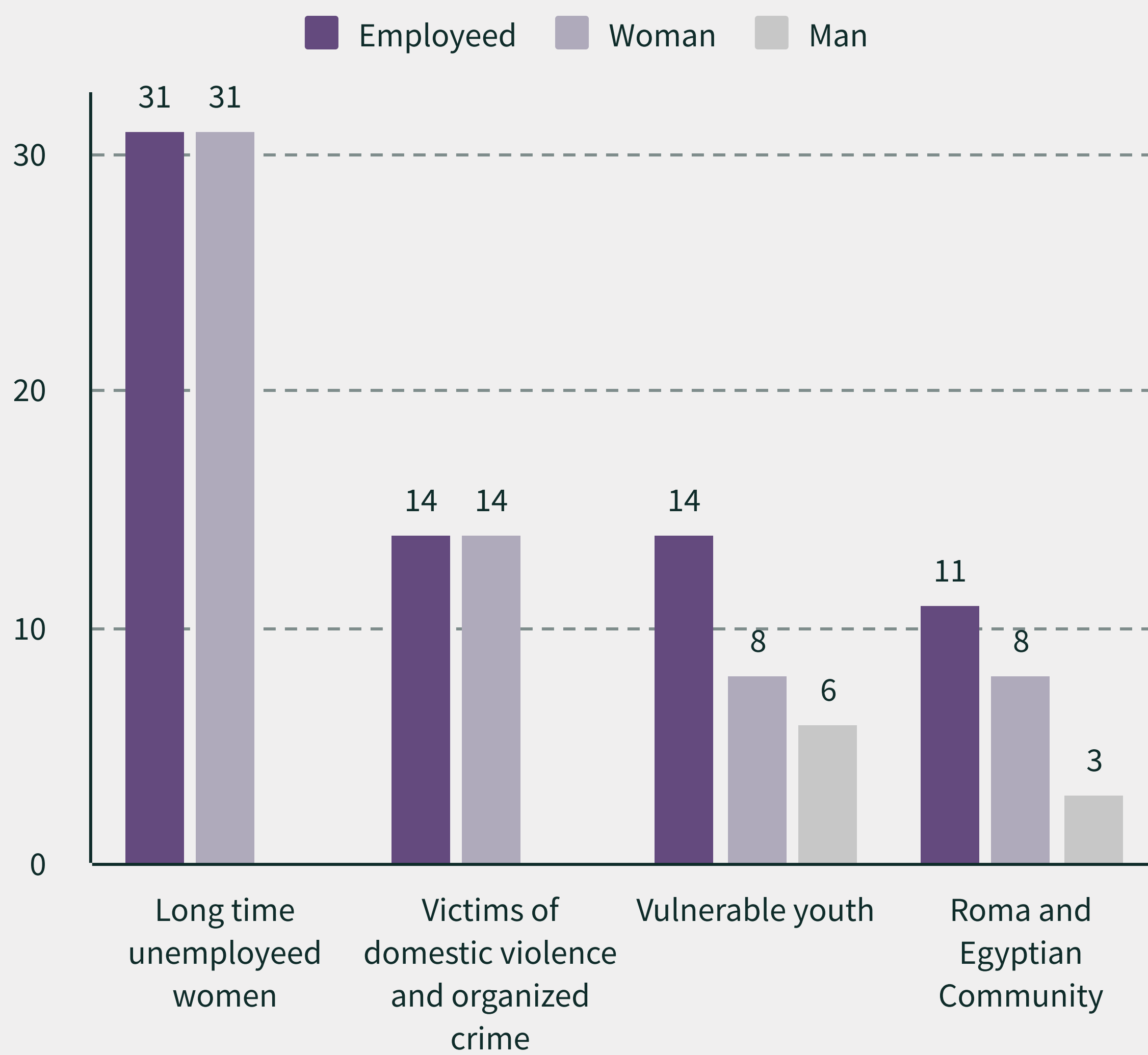


Graph 2: Beneficiaries of SEs in Confiscated Assets

From **725 direct beneficiaries**, 211 persons belong to the category - long time unemployed women, 26 persons to the Roma and Egyptian Community, 264 are victims of domestic violence and organized crime and 224 persons belong to the category of vulnerable youth (NEET youth and victims of organized crime).

The analysis shown that the most affected beneficiaries are **woman** (longtime unemployed woman and woman victims of domestic violence and organized crime).

Regarding the number of beneficiaries of the SEs established in five (5) confiscated assets, the total number is **307 persons**, belonging to the categories of longtime unemployed women, victims of domestic violence and vulnerable youth (Graph 2).



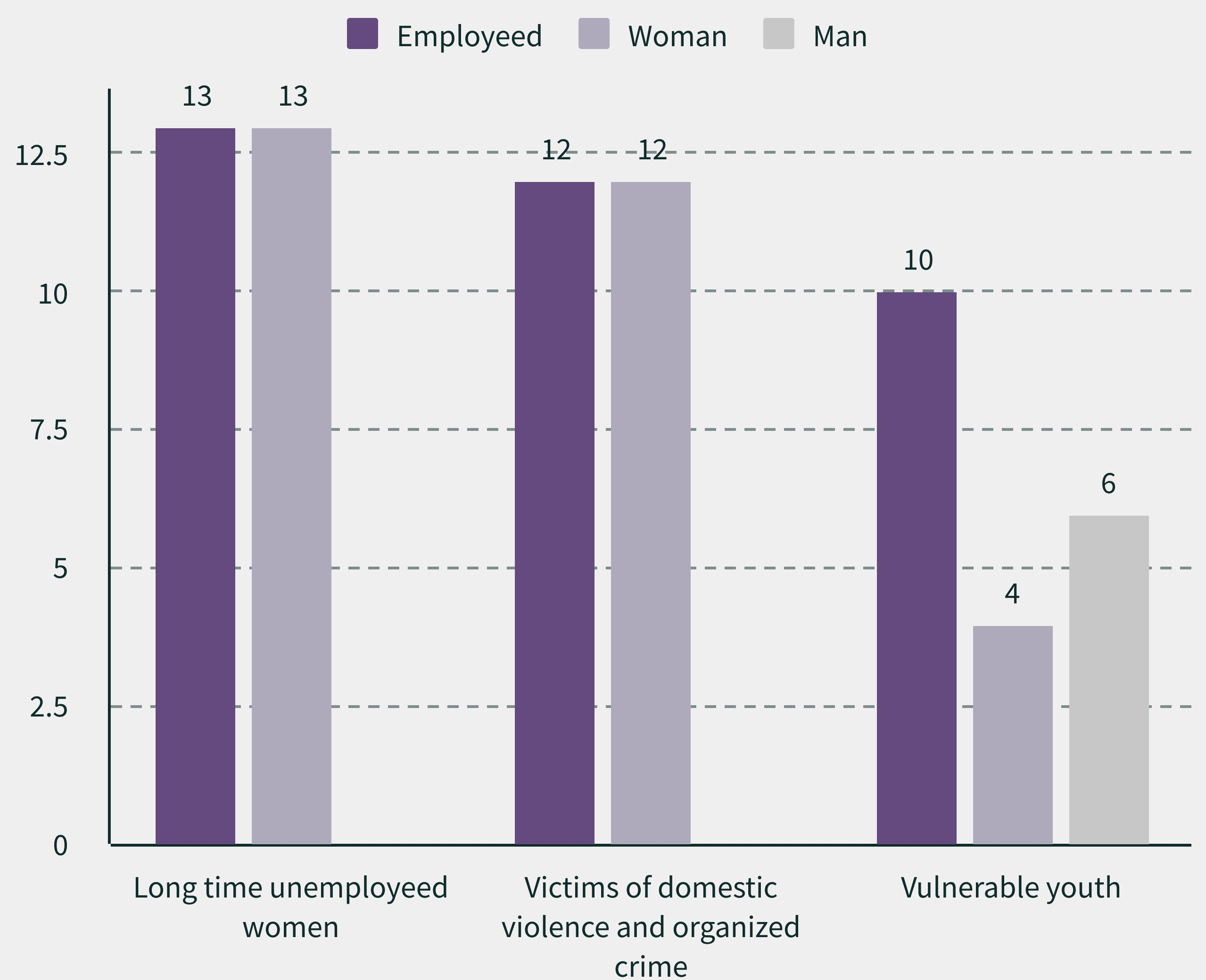
The interviewed SEs report a total number of **70 employees** within their enterprises.

A significant emphasis is placed on **assisting long-time unemployed women**.

Additionally, the SEs also prioritize supporting **women victims of domestic violence and organized crime, vulnerable youth and Roma and Egyptian Community**. Concerning gender aggregation, the majority of employees are women (**61 employees**).

Graph 3: Category of Beneficiaries Employed at Social Enterprises

This higher representation of women in the workforce underscores a gender-sensitive approach of SEs towards the promotion of gender equality in the workforce.



Graph 4: Category of Beneficiaries Employed at SEs in Confiscated Assets

Concerning employees in five (5) SEs in confiscated assets, they report a total number of **35 employees. Integration of women, being long-time unemployed or victims of domestic violence and organized crime** are again in the focus of SEs that exercise their activity in social enterprises. It also is observed that these SEs do not employ people from Roma and the Egyptian Community. Concerning gender aggregation **29 out of 35 employees are women.**

In all SEs interviewed, over 50% of the total employees come from different marginalized groups, being thus in compliance with the requirements of the Law "On social enterprises", regarding the employment of marginalized groups.

There are still some ambiguities regarding the application process for the Status of Social Enterprise and the application for financial support from the Social Enterprise Fund, in Albania. One of the main issues and recommendations provided by PA to the relevant institutions in this regard is related to the lack of an accompanying list of documents, proving an individual's eligibility in this category, as well as a list of responsible institutions for issuing respective documents.

This is one of the challenges that most of the SEs and their beneficiaries are encountering. All respondents highlighted the importance of specific documents that will contribute to their easier integration into the workforce within Social Enterprises (SEs). However, the following documents have been assured, supporting their employment:

- Official documents issued by the Social Insurance Institute detailing their unemployment periods.
- Official documents issued by Labour Offices.
- Official documents issued through e-Albania.
- Official documents issued by local Municipalities and State Social Service offices.
- Official documents issued by village chairmen or community leaders (specifically for Roma community members, since it is an unregistered community in most of the cases).

Regarding the **responsiveness of public institutions in the provision of the above-mentioned documents**, the majority of beneficiaries reported a lack of direct involvement in obtaining the mentioned documents due to insufficient information and capacity to contact relevant public institutions. In 90% of cases, representatives of SEs have stepped in to assist, applying on behalf of the beneficiaries. There were no recorded delays, and the necessary information was provided within the official deadlines.

Interviewed SEs are operating in different industries, such as: handcrafting, tourism, art and culture, agriculture, medicinal herbs production.

Regarding questions about the **necessary criteria for employment** and the associated work processes, the majority of interviewed beneficiaries responded that several factors contributed to their employment:

- Long experience in handcraft production.
- Experience in willow processing and production of straw products.
- Knowledge of medicinal plants and forest fruits processing.
- Passion for cooking.
- Experience in art and crafts.
- Experience in cleaning services.
- Experience in land planting and harvesting, etc.

The primary processes involve product design, production, and service provision. While they possess the necessary skills, there's a **recognized need for further qualification** to enhance products, boost sales, and consequently, ensure long-term employment or expansion of the workforce within Social Enterprises (SEs).

Some of the identified needs include:

- Specific training to enhance knowledge and skills in utilizing the latest technology in certain production lines.
- Opportunities to exchange experiences with other Social Enterprises (SEs) within the country or region.
- Specific training in marketing and sales of products/services.

Another aspect under scrutiny pertains to the presence of gender stereotypes within the work and processes involved. According to 82% of respondents, **gender stereotypes** persist not only in employment but also in the opportunities provided for women's capacity development.

Women predominantly engage in production lines such as carpet-making, handicrafts, cream production, food processing, cooking, and cleaning services.

However, in more rural areas like Fushe-Arrez and Baltëz, women face considerable challenges participating in meetings and training sessions, often hindered by family members, primarily imposed by their husbands.

Conversely, men are typically involved in technology-related processes such as equipment maintenance and adjustment, agriculture, visual arts, and culture.

Stereotypes regarding men's employment in cleaning services are absent due to specific tasks requiring a male workforce.

From the perspective of beneficiaries, **the challenges and possibilities influencing the growth of social enterprises** are as follows:

- **Recruitment of skilled employees** - Difficulty in recruiting skilled workers, particularly for handcrafting and artisanal work, as the younger generation shows little interest. The current workforce in these areas is predominantly over 45 years old.
- **Low Customer Awareness** - Growth potential exists if there is a sustainable market for product sales and income generation.

- **Applying business principles:**

Profit Generation: Few social enterprises manage to generate profits from product/service sales. Profits are typically reinvested in increasing the workforce, purchase of new equipment, funding new projects, advertising, and marketing expenses. Currently, all social enterprises rely on grants and are not self-sustainable.

Capacity Building: Social enterprises need to enhance their business capabilities through training programs focusing on market research, public relations & communication, financial management, problem-solving, business plan development, sales, risk management, social entrepreneurship, social innovation, Sustainable Development Goals (SDGs), and sustainability.

The primary beneficiaries served by Social Enterprises (SEs) predominantly **consist of women from rural areas, victims of trafficking or violence, individuals from the Roma community, and young women.** In addition to employment opportunities, some of these beneficiaries also receive complimentary services from the SEs.

Despite the passage of six years since the study conducted by Partners Albania in 2016 on the the majority of social enterprises still maintain a staff size of 1-3 full-time employees and up to 10 part-time employees.

This stagnant trend reflects the ongoing difficulty faced by social enterprises in expanding their human capacities and workforce. Limited income sources and a lack of diversity therein persist as challenges, compounded by the absence of fiscal incentives within the business environment in which they operate.

IV. CONCLUSIONS AND RECOMMENDATIONS

Recommendations for Enhancing Women's Entrepreneurship and Employment Opportunities:

ESTABLISH DEDICATED SUPPORT MECHANISMS

Develop specialized support mechanisms tailored to the needs of social enterprises, including access to funding and capacity-building programs. This will enable social enterprises, particularly those led by women, to thrive and create more employment opportunities. Recognize the potential for increased inclusion of women in sectors such as agriculture and crafts. Supportive measures, including market support and infrastructure development, will facilitate women's active participation and entrepreneurship in these areas.

IMPROVE WORKING CONDITIONS

Address the inadequate infrastructure and lack of support faced by women working from home or in sectors like cosmetics. Enhancing working conditions and premises will attract and retain female employees, fostering a conducive environment for women's economic participation.

OVERCOME CULTURAL NORMS AND BIASES

Address cultural norms and biases that hinder women's full inclusion and entrepreneurship potential. Through awareness-raising campaigns and advocacy efforts, challenge societal perceptions and promote gender equality in economic opportunities.

FOSTER COLLABORATION AND INSTITUTIONAL SUPPORT

Enhance institutional collaboration and support for gender inclusion initiatives. Municipal authorities and other stakeholders should actively promote and support women's entrepreneurship and employment, fostering a conducive environment for their economic empowerment.

By implementing these recommendations, stakeholders can work together to create an enabling environment for women's entrepreneurship and employment, driving economic growth and social development.

Recommendations for Enhancing Policies and Procedures for Women's Economic Empowerment and Inclusion:

ENHANCE ALIGNMENT WITH COMMUNITY NEEDS

Conduct thorough needs assessments to ensure that programs and initiatives are aligned with the real needs of women and disadvantaged groups. Tailored programs should be established to address specific challenges and barriers faced by these communities.

STRENGTHEN INSTITUTIONAL COORDINATION

Enhance coordination between government institutions, non-governmental organizations, and other stakeholders involved in women's economic empowerment initiatives. Facilitate information sharing, collaboration, and joint efforts to address gaps and improve effectiveness.

IMPROVE PROGRAM CONSISTENCY AND EFFECTIVENESS

Ensure consistency and effectiveness in program implementation by establishing clear guidelines, monitoring mechanisms, and evaluation processes. Regularly assess program outcomes and adjust strategies accordingly to maximize impact.

TARGETED POLICIES FOR INCLUSION

Develop targeted policies and interventions specifically aimed at supporting women's economic empowerment and inclusion of disadvantaged groups in the workforce. Consider factors such as access to education, training, childcare support, and mentorship programs to facilitate sustainable economic independence.

SIMPLIFY DOCUMENTATION PROCESSES

Streamline and simplify documentation processes to reduce barriers to accessing support services for vulnerable groups. Provide assistance and support to beneficiaries of SEs in obtaining necessary documentation.

By implementing these recommendations, policymakers and stakeholders can work towards improving the effectiveness of policies and procedures for women's economic empowerment and fostering greater inclusion of disadvantaged groups in the workforce.

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