Policies to combat social exclusion: the case of Albania

Forum on energy and poverty reduction strategies
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Strategic framework for fight against social exclusion: NSDI

Under the new strategic planning framework, a National Strategy for Development and Integration (NSDI):

- replaces the NSSED/PRSP as the main strategic document of the Government as of 2007
- elaborates the four strategic priorities of the Government Programme: integration, democratisation, rule of law, socioeconomic development
- synthesises a set of sector and crosscutting strategies
Strategic framework for fight against social exclusion: sector strategies

Sector strategies
- follow a given structure and set of quality standards
- describe the full range of activities for each ministry
- have their strategic goals broadly costed;
  reference documents for the medium-term budget
- are to be updated as part of a regular planning cycle

Social exclusion issues are addressed, among others, in the following sector strategies:
- Social protection
- Social insurance (Ministry of Finance)
- Basic education (Ministry of Education and Science)
- Health (Ministry of Health)
Strategic framework for fight against social exclusion: crosscutting strategies

Crosscutting strategies
- describe selective policy priorities that are not under the mandate of a single ministry
- are fully consistent with the underlying (costed) sector strategies and therefore are not required to be costed

Social inclusion crosscutting strategy
= Main strategic document describing poverty reduction and social exclusion policies across government
Main issues of social exclusion in Albania

- **Poverty**
  - Evidence from Living Standards Measurement Survey shows rapid fall of poverty between 2002 (25.4%) and 2005 (18.5%)
  - Main driver of poverty reduction is economic growth
  - Challenges include improvement in the targeting of social policies and measures to fight increasing inequality trends

- **Vulnerable groups**
  - Roma: schooling, culture, employment, health, justice
  - Disabled: deinstitutionalisation and community services
  - Children: survival, protection, development and participation
  - Women: institutional framework, decision making, economic empowerment, public services, media
Social protection sector strategy - 1

- **Lead:** Ministry of Labour, Social Affairs and Equal Opportunities
- **Strategic priorities**
  - Improve targeting of economic assistance and increase its compatibility with other cash benefits
  - Decentralise provision of social services and encourage the provision of community services
  - Implement measures towards equal opportunities for socially excluded groups
  - Monitor the implementation of crosscutting activities towards equal opportunities for socially excluded groups
Principal financing issues

- Re-assess declining trend of main cash benefit versus increasing allocation to disability benefits
- Examine relationship of main cash benefit with pensions
- Reduce leakage and improve coverage of main cash benefit
- Ensure sufficient funding of social services by local government units
- Cost previously formulated components of crosscutting strategies (children, Roma, disabled)

Costing analysis undertaken

- Ministry of Labour, Social Affairs and Equal Opportunities
- World Bank Public Expenditure and Institutional Review
- Various sources of technical assistance (ongoing)
Social inclusion crosscutting strategy - 1

- **Lead**: Ministry of Labour, Social Affairs and Equal Opportunities

- **General description**
  - Presents the government strategic directions on policies to fight social exclusion in an integrated way and provides the monitoring framework against which progress can be assessed
  - Identifies through a process of consultation with non-government stakeholders and the donor community, those policy areas that call for improvement as well as for better coordination between line ministries
  - Prepares Albania for a social inclusion action plan, which is a standard requirement for European Union accession
  - Broadly corresponds to the agenda of the PRSP
Social inclusion crosscutting strategy - 2

- **Strategic priorities**
  - Raise income earning capabilities: female labour market participation, formalisation of labour market, modernisation of economic assistance
  - Access to public services: social services, health, housing, legal assistance, water, transport,
  - Vulnerable groups (children, Roma, Egyptians, disabled, elderly, and women)

- **Monitoring**
  - Follows the monitoring arrangements of the EU National Action Plans for Social Inclusion (Laeken indicators)