

GUARANTEEING A TRADE UNION VOICE IN THE YOUTH GUARANTEE PROCESS IN THE WESTERN BALKAN COUNTRIES

ALBANIA



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TRADE UNION**

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Guaranteeing a trade union voice in the Youth Guarantee process in the western Balkan countries

Country report **Albania**



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ALBANIA



The situation of youth at work in the country

1

The situation of youth at work in Albania is characterised by a significant extent of youth unemployment as well as a high level of precarious youth employment. Key youth employment situation indicators for the country, other region's countries and EU27 average are provided in Annex 1, based on the official comparative statistics available in Eurostat¹, Eurofound's Working Conditions Survey² and the national statistics from the statistical institute in the country.³

The rate of youth unemployment is above the EU average in Albania but it has decreased significantly over the past decade. In 2022 (latest data available), it was 27%, which is twice above the EU27 rate of 10.2%. It is similarly high compared to other countries in the region (for example, in North Macedonia the youth unemployment rate was 30% in 2020). Looking at the trend, the youth unemployment rate has declined only slightly over the last 10 years, from 30% in 2012 to 27% in 2022. This is echoing the trend experienced in the EU,

where the rate has declined from 18.8% in 2013 to 12.4% in 2022.

The situation of youth at work in Albania is precarious.⁴ 35% of young people in 2021 reported having a standard indefinite employment contract, comparable to 59% young people with an indefinite employment contract in EU27. Flexible forms of employment, such as service contracts, temporary and occasional employment contracts, vocational training or internship contracts, and employment contracts through student or youth cooperatives, are often abused by employers (i.e. they are used instead of standard labour contracts). Also, young people in the country tend to work very long hours. In 2021, 54% of young people reported working 48 hours and more per week, which is significantly higher compared to 14% of young people reporting such long working hours in EU27.

The level of wages remains low, and this has been repeatedly emphasised in the consultations with

¹ [Database - Youth - Eurostat \(europa.eu\)](https://ec.europa.eu/eurostat)

² [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://ec.europa.eu/eurofound) covers all six western Balkan countries included in this research.

³ [Unemployment in Albania | Instat](https://instat.gov.al)

⁴ [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://ec.europa.eu/eurofound) covers all six western Balkan countries included in this research.

the youth sections of the trade unions in the country. Whilst recent data on wages for young people is not available in the official statistics of Eurostat, survey based data from 2021 show a high level of dissatisfaction with the wages received. 37% of young people in Albania in 2021 stated that they do not feel they get paid appropriately, similar to 30% of young people stating this in EU27.

The job instability is also high for young people in Albania with 24% of them reporting in 2021 that they might lose their job in the next 6 months, which is slightly above the 17% of young people with fears of job loss in EU27. Young people also experience high levels of discrimination at work. 16% of young people Albania reported having experienced discrimination at work in 2021 in the previous 12 months of working. This is higher than 13% of young people reporting discrimination in EU27.

Also the access to training for young people in Albania to be improved. In 2021, 33% of young people in Albania reported having on the job training in the past 12 months, against 54% in EU27.

In addition, **a significant proportion of workers in the working age population is estimated to work in the shadow economy**, receiving either full or part of their wages in undeclared way, and thus not benefiting from the social security full coverage. Estimates range between 17% and 20% of the

workforce engaged in one of the forms of the undeclared work in **Albania**.

Albania is also significantly affected by the brain drain, especially amongst young people. Six countries in the western Balkans are among the top-ranked countries with the biggest brain-drain in the world. The Global Competitiveness Report developed the scale of 1 to 7 (1= all talented people leaving the country; 7= all talented people staying in the country). In this assessment, BiH scored 1.76, followed by North Macedonia (2.13) and Serbia (2.31).⁵ In the last three decades, due to the emigration, Serbia has lost **9 percent of its citizens, North Macedonia 10 percent**, Bosnia and Herzegovina 24 percent, and Albania 37 percent.⁶ Mostly young, educated, and skilled people who decided to leave their country due to



⁵ [Focus_Article_Brain_drain_Sept2020.pdf \(wbc-rti.info\)](#)

⁶ [Toward a New Youth Brain-drain Paradigm in the Western Balkans | German Marshall Fund of the United States \(gmfus.org\)](#)

poor democratic and economic conditions and low quality of life. Some estimates show that the region will lose around 1 million youth in the forthcoming decade⁷. Overall, Albania's population has declined every year from 2001 to 2023 and about 46,460 Albanians left the country in 2022. This was 10.5% higher than in 2021, with the majority, about 36,000, being young people, according to data from the Albanian Institute of Statistics.⁸

This translates into negative labour market outcomes for young people in Albania. The rate of young people neither in education, employment or training (NEET rate) was very high at 24% in 2021 (last year for which data is available, resulting in more than 190,000 NEETs aged 15-29 in the third quarter of 2021)⁹. This is significantly higher than the 15% NEET rate in EU27. However, the long term trend shows only marginal improvements, as the NEET rate has gone down from 27% in 2013, indicating some progress addressing the NEET issue. In addition, the rate of young people at risk of

poverty and social exclusion is also very high, with 40% of young people in this situation in 2022. This is significantly higher compared to 24.7% of young people at risk of poverty and social exclusion in EU27 in 2022. The rate in **Albania** has been declined somewhat since 2013, indicating some progress in tackling youth poverty and social exclusion.

Moreover, **young people bore the brunt of the economic consequences of the COVID-19 pandemic.** In the Western Balkans, the loss of employment and the rise in inactivity has not – in general – been offset by a return to education. NEET rates in the Western Balkan economies remained above the pre-crisis level, although in some cases they declined from their peak.¹⁰ ILO research has shown that young people were especially prone to high level of job vulnerability in the pandemic context given the service sectors they are over represented in and the informal type of employment relationships they tend to have in the labour market.

⁷ Friedrich-Ebert-Stiftung, FES Youth Studies Southeast Europe 2018/2019.

⁸ [The population of Albania | Instat](#)

⁹ [Unemployment in Albania | Instat](#)

¹⁰ [News, articles and events on youth employment \(Youth Employment\) \(ilo.org\)](#)

The national policies on youth employment in the country

2

In Albania, there is an overarching national strategy on youth.

The National Youth Strategy 2022-2029 is a strategic policy and program for youth in Albania, approved by the Council of Ministers in October 2022. The strategy was prepared based on consultation process with youngsters all over Albania. The strategy encompasses 3 political goals, 9 specific objectives, and a series of measures and activities. It was prepared in alignment with Albanian Government Program 2021-2025, Stabilization and Association Agreement, Strategy for Youth in the EU 2019-2027, Sustainable Development Goals 2030, and Council of Europe Youth Sector Strategy 2030. One of the key goals in the strategy is related to “Building youth’s employment skills, supported by youth-oriented career counseling and employment services, increasing and improving opportunities to enter into the labor market on the basis of equity and equal chances.”¹¹

The national government and the national Employment Service has been implementing specific employment measures targeting youth.

They include support to job search, advice, guidance, counselling, subsidised employment, support to training and re-training and support for youth entrepreneurship and others. Specific employment support to young people was offered via wage subsidies, social insurance relief, and tax incentives for employers who take on young people. In addition, vocational training programmes for inactive and unskilled youth, including developing digital skills were also financed from the state budget.¹² For instance, In Albania, traineeships are offered registered jobseekers between the ages of 16-30 years of age receive on-the-job vocational training with social security and health insurance costs subsidised for a period up to 12 months.

Amongst the flagship measures for youth, the National Programme of internships offers **internships to university graduates to gain work experience in the public or private sectors**. The programme started in 2007 and is open to young professionals aged 21 to 26 who have completed at least the first cycle of bachelor studies. Graduate interns receive a payment equivalent to 100% of

¹¹ [CDEJ_2023_table_recent_developments_March_2023 \(coe.int\)](#)

¹² Study on Youth Employment in Albania, by Regional Cooperation Council, 2021.

unemployment benefit for up to six months. The results of the internship do not show sustainable labour market integration of its participants.

One of the key measures which could bring long term benefits is the National Employment and Skills Strategy (NESS) 2019-2022 where one of the focus was on **the VET reform and development**. The NESS and Action Plan provide for introduction of work-based learning in the VET system and for involvement of social partners in curriculum development. The reform of VET focuses on the legal framework for VET, developing institutional capacities, providing training for all staff and gradually filling the gaps between labour market needs and the skills and qualifications of VET graduates. It supports the network of VET providers to ensure high quality education, to strengthen work-based learning, and ensure relevance of education to facilitate school to work transition.

Inspired by the experience of EU Member States, **the Employment Promotion Law of 2019 introduced the concept of the Youth Guarantee into Albanian legislation**, paving the way for the design and implementation of the Youth Guarantee Implementation Plan. As part of the youth guarantee scheme, the Law stipulated that young people are offered with an employment offer/continuing education/professional practice

within a four-months period from the moment of registration with the respective employment office¹³. On 6 October 2020, the European Commission announced an Economic and Investment Plan for the Western Balkans, in which the Youth Guarantee scheme features as a flagship initiative. Albania's Economic Reform Programme (ERP) 2021-2023 also envisages the design and implementation of Youth Guarantee scheme. At the same time, the government will face significant challenges in terms of allocating sufficient financial resources and ensuring enough administrative capacity to implement an effective Youth Guarantee scheme.

Specifically, research has shown that in 2021, the budget for ALMPs in Albania was 540 million ALL (approximately €4.4 million), which is sufficient to assist around 4,000-5,000 individuals.¹⁴ However, in order to support the large number of NEET individuals (more than 190,000 aged 15-29 in the third quarter of 2020), there is a need for a significant increase in funding for ALMPs and other measures. Despite recent restructuring of labour market and skills development institutions, their capacities remain limited. Furthermore, the Albanian Public Employment Service may not be able to meet the demand with the current coverage of ALMPs, which assists 4,000 to 5,500 beneficiaries annually.

¹³ Draft Law: "On additions and amendments to the Law No. 15/2019 'On Employment Promotion'" – bogalaw journal

¹⁴ Albania's preparedness to address the youth employment challenge through the Youth Guarantee, ESPN Flash Report 2021/38.

Trade unions and youth employment in the country

3

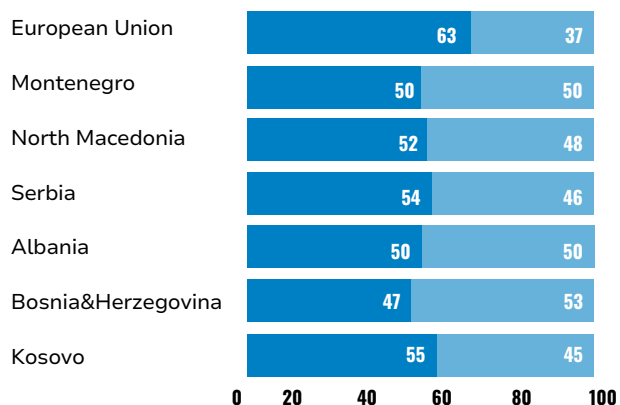
Whilst some young people know about the trade unions in their workplaces, the involvement of trade unions at the workplaces could be further enhanced. As shown below, 50% of young people in 2021 in **Albania** reported that their organisation had a trade union, works council or a similar structure representing the employees. The proportion for EU27 was higher, with 63% young people

reporting this. Comparatively low is the presence of health and safety delegate or committee in the workplaces, a key factor in supporting effective occupational health and safety at work for young people entering their working careers. 57% of young people in 2021 in **Albania** reported this, against 73% of young people reporting a health and safety delegate or committee in EU27.

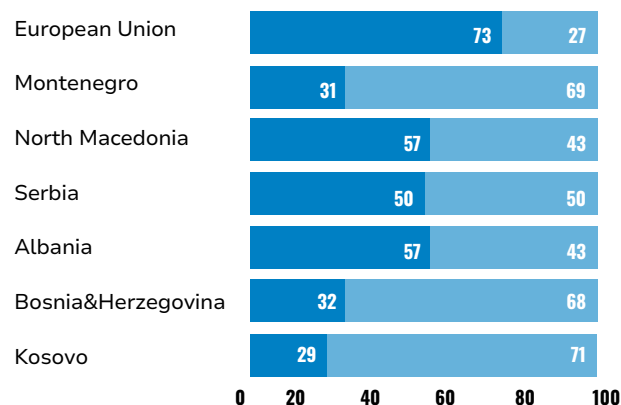
FIGURE 1

THE PRESENCE OF TRADE UNIONS IN THE WORKPLACES OF YOUNG PEOPLE, 2021

● Does your organisation have a trade union, works council or similar committee representing employees?



● Does your organisation have a health and safety delegate or committee?



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023.

[European Working Conditions Survey](#) | [European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](#)

The second area of improvement relates to how the government consults with the trade unions in general and youth sections in particular on developing the youth employment measures and approaches. As highlighted in the consultations with the youth sections in the trade unions, such consultation is formal and “on paper”. Overall, the formal process is followed (e.g. tripartite bodies meet, trade unions are sent the government policy documents in advance). In practice, however, there is little or no genuine joint consultation, as documents containing policy proposals are sent with short notice to provide a considered response. Often the final shape of policy proposals is provided, with few possibilities for youth sections to provide inputs or suggest changes or concrete ideas for improvements. When tripartite meetings take place, they are used to approve the finalised documents, as opposed to being places for debates, exchanges or shaping the emerging policies on youth employment.

Thus, according to the feedback from trade unions interviewed in **Albania**, many measures aimed at youth employment remain on paper and are not implemented due to the lack of funds. Moreover, many measures are not known to young people who tend to mistrust state institutions. Also, trade unions are rarely consulted on the measures. The trade unions perceive the main challenges faced by young people in Albania, including limited job opportunities, high emigration rates, and the impact of various crises on their lives. They also highlight the lack of engagement of the youth in trade unions, and the poor working conditions in many sectors. Furthermore, trade union interviews highlighted that

the government’s policies are not being effectively implemented and that there is a lack of support for trade unions trying to represent workers in these sectors. There is a perception amongst the trade unions of the lack of progress and regression in social dialogue in Albania, particularly in regards to their consultation and negotiation. Recently, there has been a failure for the trade unions to be consulted on the minimum wage, pointing to the general absence of genuine social dialogue in the country.

Finally, the interviews with the youth sections in the trade unions in the country also highlighted the need to further engage with the young people. In the country, many young people do not have basic information about their labour rights and trade union, including a lack of basic understanding of what an employment contract is, or the benefits of becoming a member of the trade union. In this respect, trade unions are trying to organise the youth and spread information about the labour rights and trade unions amongst the young people in **Albania**. This is done through social media channels, traditional publications, grassroot activities, organising seminars and trainings, as well as involving regular information work in schools and universities to reach out to young people. At the same time, several key priorities for the trade unions remain valid, in addressing the challenges young people face in the labor market. Such potential actions could include promoting collective agreements, trade union organization, and training for better wages and employment conditions, as well as the need for vocational training and employment opportunities for youth in different fields.

The EU initiatives for youth employment in the country

4

At the policy level, there is a strategic commitment to support youth employment in the western Balkan region. In particular, in the second EU-Western Balkans Ministerial Meeting on Employment and Social Affairs on 8 July 2021, the national ministers for employment endorsed a “Declaration on ensuring sustainable labour market integration of young people”¹⁵ where they committed to



„Resolve to set up inter-sectoral task forces involving relevant bodies, agencies and stakeholders, including the social partners, youth organisations and other non-governmental organisations, and to develop or update, respectively, Youth Guarantee Implementation Plans by June 2022”

The key policy commitment from the EU side has been the support to the implementation of the Youth Guarantee in the western Balkan region.¹⁶

The EU's Economic and Investment Plan for the Western Balkans is the main EU policy response in the region and was adopted in 2020. The Plan refers to investments on Youth Guarantee measures and the capacity building of social partners and further enhancement of the social dialogue.¹⁷ The Youth Guarantee for the western Balkans is one of the 10 flagship measures, to be introduced in four phases. Overall, the Plan envisages up to €30 billion in investments, including up to €9 billion of EU grant funding for all 10 flagship measures. No specific funding is allocated for individual flagship measures.

Since 2021, the European Commission provided support the national institutions responsible for youth employment policy in the Western Balkans in introducing a youth guarantee (YG). On 14 October 2021, the European Commission, together with the International Labour Organization (ILO)

¹⁵ [ESAP2 | Western Balkans Declaration on ensuring sustainable labour market integration of young people](#)

¹⁶ [The reinforced Youth Guarantee - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

¹⁷ [European Commission launched an additional €2.1 billion investment package for the Western Balkans under the Economic and Investment Plan \(europa.eu\)](#)

and the European Training Foundation (ETF), and representatives from the Western Balkans launched the preparation of Youth Guarantee (YG) Implementation Plans (YGIPs) and the Technical Assistance Facility (TAF) to support this process. The declaration also recognised the importance of involving international partners and donors

in the process to ensure effective coordination of cooperation efforts. Under the Technical Assistance Facility (TAF), the relevant authorities and stakeholders from the Western Balkans will receive support from the ILO and the ETF for designing Youth Guarantee schemes.¹⁸



¹⁸ [Bolstering the resilience of youth in the Western Balkans | ETF \(europa.eu\)](https://www.europa.eu)

Key policy pointers

5

RESEARCH FINDINGS POINT TO THE FOLLOWING ACTIONS TO FURTHER SUPPORT QUALITY JOBS FOR YOUTH

From the perspective of the national government, it should:



▶ Develop a comprehensive strategy for addressing youth quality jobs;



▶ Improve the information and implementation (the quality of offers, outreach and outcomes) under the existing national measures;



▶ Make good use of funds available under the EU funds for supporting youth quality jobs.

The pointers for trade unions themselves are as follows:



▶ Engage more with young people and make their voices heard;



▶ Trade union activists can network and exchange more across the region and with ETUC youth sections in EU27.

Annex 1

Key statistics – youth employment situation in the western Balkan region

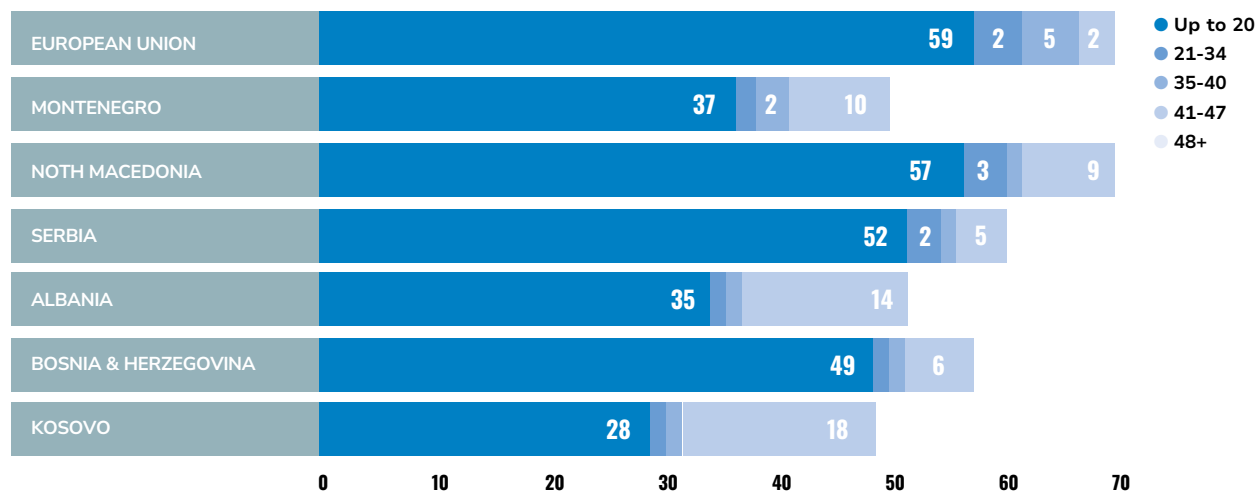
TABLE 1 YOUTH UNEMPLOYMENT RATE, AGE GROUP 20-29

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU27	18.8	17.9	16.4	14.9	13.3	12.0	11.1	12.4	12.0	10.2
Montenegro	28.8	29.1	27.5	27.0	25.8	25.8	22.3	29.6	:	:
North Macedonia	44.1	43.7	42.3	39.2	37.9	35.5	30.1	28.6	:	:
Serbia	39.7	35.6	33.2	28.9	25.3	23.3	20.2	19.1	18.7	15.4

Source: Eurostat, Youth unemployment by sex, age and educational attainment level [yth_empL_090\$defaultview], accessed 21 November 2023. [Database - Youth - Eurostat \(europa.eu\)](https://eurostat.ec.europa.eu/)

FIGURE 2 TYPES OF EMPLOYMENT HELD BY YOUNG PEOPLE, 2021

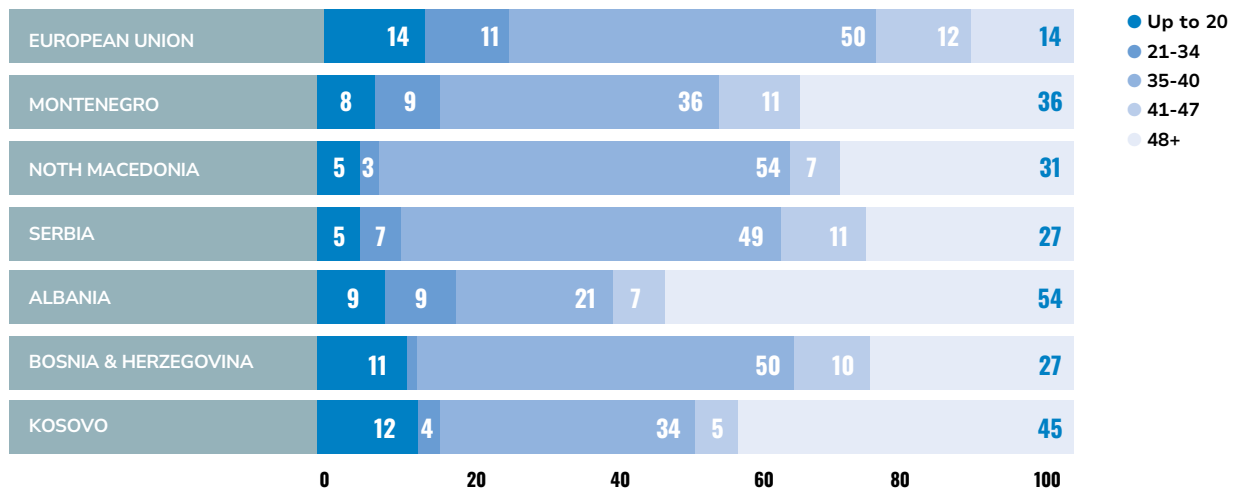
● What kind of employment contract do you have in your main paid job?



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://europeanworkingconditionsurvey.eu/)

FIGURE 3**THE NUMBER OF WEEKLY WORKING HOURS BY YOUNG PEOPLE, 2021**

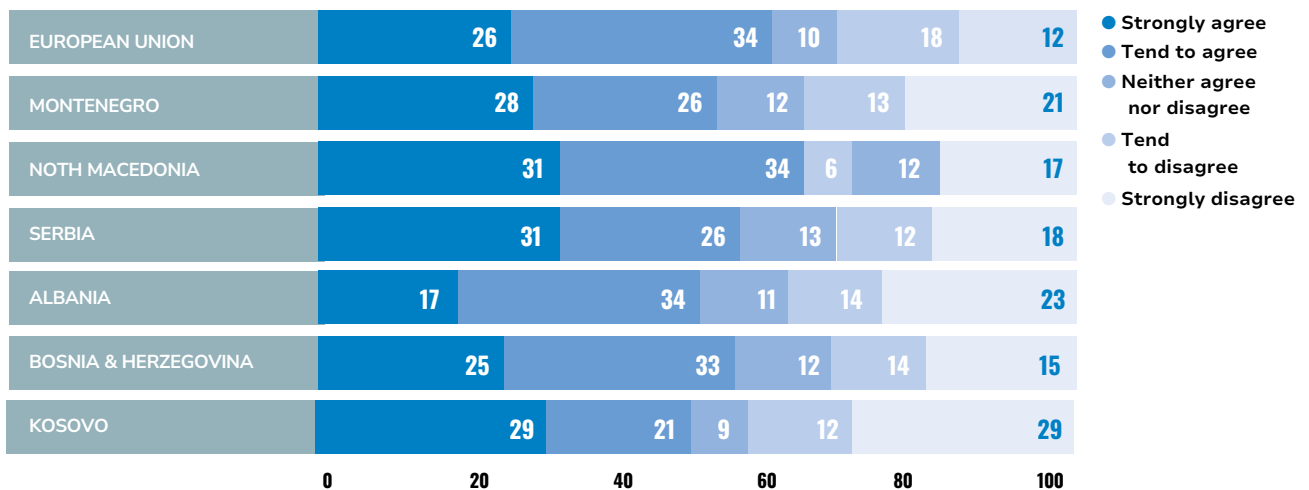
● How many hours per week do you usually work



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](#)

FIGURE 4**LEVEL OF SATISFACTION WITH THE CURRENT WAGES BY YOUNG PEOPLE, 2021**

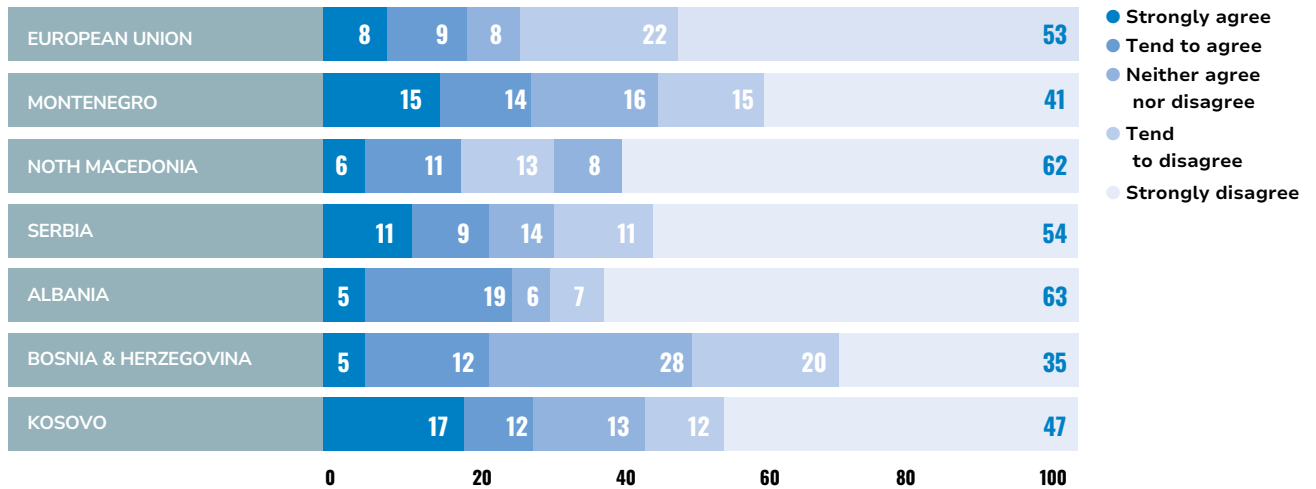
● Considering all my effort and achievements, I feel I get paid appropriately



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](#)

FIGURE 5 THE LEVEL OF JOB STABILITY BY YOUNG PEOPLE, 2021

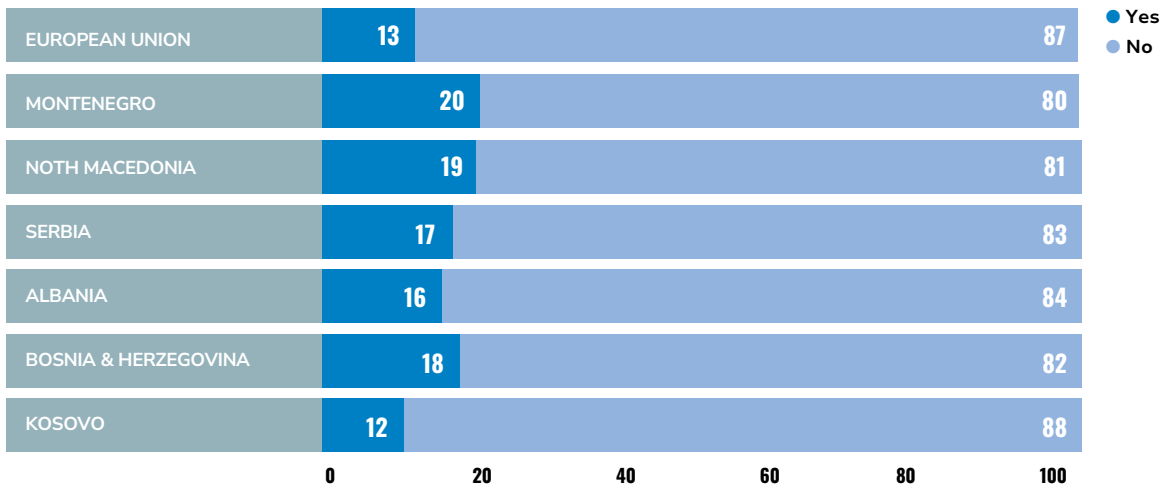
● I might lose job in the next 6 months



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://www.eurofound.europa.eu/working-conditions-survey)

FIGURE 6 THE LEVEL OF DISCRIMINATION AT WORK BY YOUNG PEOPLE, 2021

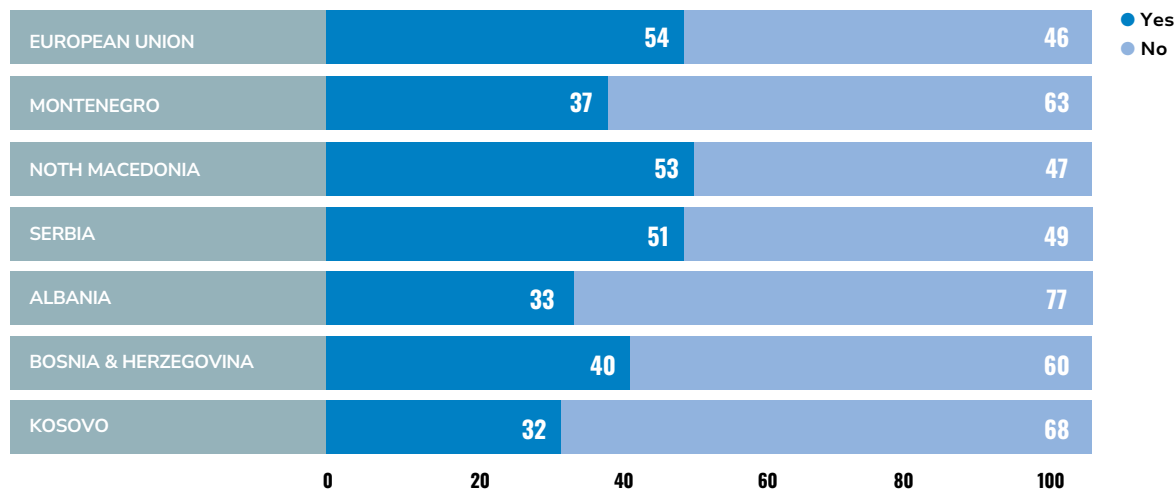
● Have you been subjected to discrimination at work in the last 12 months?



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](https://www.eurofound.europa.eu/working-conditions-survey)

FIGURE 7 THE LEVEL OF TRAINING AT WORK BY YOUNG PEOPLE, 2021

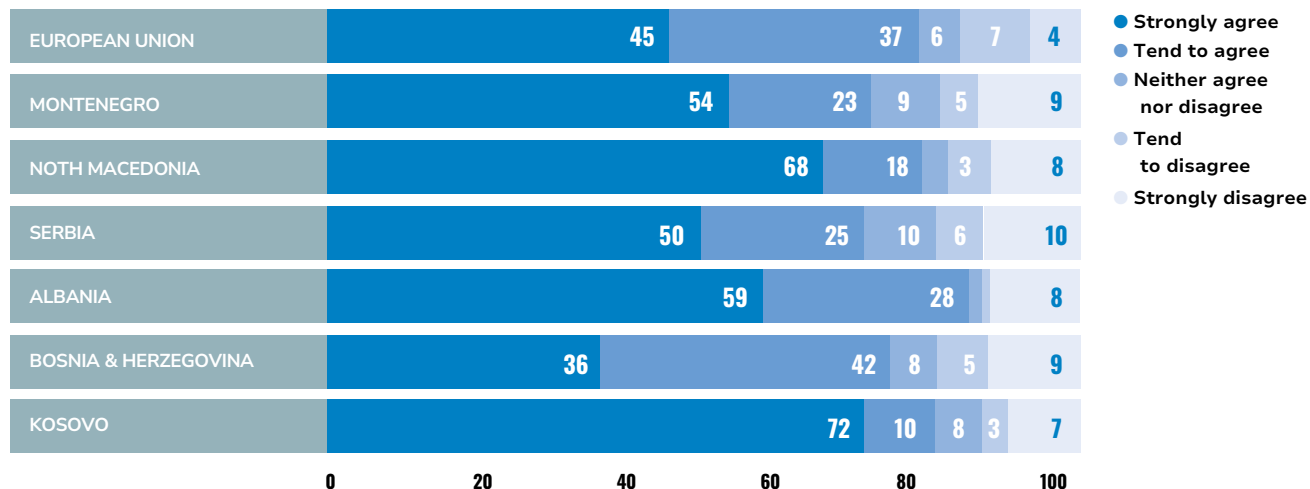
● Have you had on-the-job training in the last 12 months?



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](#)

FIGURE 8 THE LEVEL OF USING OWN SKILLS AT WORK BY YOUNG PEOPLE, 2021

● I have enough opportunities to use my knowledge and skills in my current job



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. [European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions \(europa.eu\)](#)

TABLE 2

PERSONS AT RISK OF POVERTY OR SOCIAL EXCLUSION (% OF AGE GROUP 20-29)

	2015	2016	2017	2018	2019	2020	2021
EU27	27.6	27.7	25.8	24.9	23.7	24.5	24.9
Montenegro	41.1	41.9	41.3	39.6	34.4	35.5	37.4
North Macedonia	36.1	33.9	32.2	32.9	31.0	29.8	:
Albania	:	:	53.4	47.7	45.5	39.8	:
Serbia	38.9	32.7	35.7	32.0	29.1	27.0	28.8

Source: Eurostat, Persons at risk of poverty or social exclusion by age and sex [ilc_peps01n_custom_8027520], accessed 21 November 2023. [Database - Youth - Eurostat \(europa.eu\)](#)

TABLE 3

NEET RATE (% OF AGE GROUP 20-34)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU27	20.5	20.0	19.5	18.8	17.7	17.0	16.4	17.8	16.6	15.0
Montenegro	32.1	30.5	30.6	29.2	28.2	27.5	28.8	34.0	:	:
North Macedonia	39.0	39.7	39.9	37.7	37.4	36.3	31.2	32.2	:	:
Serbia	33.1	31.4	29.8	27.2	26.1	24.1	22.7	23.8	22.1	19.2

Source: Eurostat, Young people neither in employment nor in education and training by sex, age and labour status (NEET rates) [edat_lfse_20_custom_8026264], accessed 21 November 2023. [Database - Youth - Eurostat \(europa.eu\)](#)

TABLE 4**THE LEVEL OF OVER QUALIFICATION (% OF AGE GROUP 20-34)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU27	26.3	27.1	26.8	26.6	26.6	26.1	25.5	24.7	24.3	24.5
Montenegro	13.9	20.9	19.8	20.9	15.9	16.4	19.3	20.8	:	:
North Macedonia	24.0	27.0	31.5	28.4	27.7	28.9	33.0	33.2	:	:
Serbia	29.0	28.9	32.9	31.0	33.5	35.6	33.3	33.8	31.0	31.3

Source: Eurostat, Young people neither in employment nor in education and training by sex, age and labour status (NEET rates) [edat_lfse_20_custom_8026264], accessed 21 November 2023. [Database - Youth - Eurostat \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1)



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