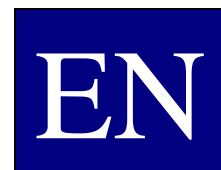




**COUNCIL OF
THE EUROPEAN UNION**



Brussels, 18 May 2009
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**FIRST MEETING OF THE EU-ALBANIA
STABILISATION AND ASSOCIATION COUNCIL
Brussels, 18 May 2009
Joint Press Release**

The Stabilisation and Association Council (SA Council) between the European Union and Albania held its first meeting on 18 May 2009. The meeting was chaired by Mr Tomas Pojar, First Deputy Minister of Foreign Affairs of the Czech Republic. Albania was represented by Mr Lulzim Basha, Minister of Foreign Affairs. The meeting was also attended by Mr Björn Lyrvall, Political Director, Ministry of Foreign Affairs, Sweden, Mr Michael Leigh, director general of the Commission's Directorate General for Enlargement, and Zoltan Martinusz, director in the General Secretariat of Council.

The European Union welcomed the holding of the first meeting of the Stabilisation and Association Council between the EU and Albania, following entry into force on 1 April 2009 of the Stabilisation and Association Agreement (SAA) together with the Protocol taking into account the accession of the Republic of Bulgaria and Romania to the European Union, which marks a new phase of responsibilities, enhanced relations and cooperation between the European Union and Albania.

P R E S S

The SA Council was informed by Albania about its submission, on 28 April 2009, of an application for membership of the European Union.

The SA Council noted the conclusions of the Council of the European Union of 8 December 2008, which welcomed the progress achieved in a number of areas such as electoral reform, improvement of the business environment and good implementation of the interim agreement, and stressed that good governance, enforcement of the rule of law, the fight against corruption and organised crime, as well as the strengthening of administrative capacity, are still major challenges requiring resolute action, while also encouraging Albania to continue its constructive role in the region's stability. Further, it encouraged Albania to guarantee that free and fair elections are held in 2009.

The SA Council welcomed the entry into force in January 2008 of the agreement on visa facilitation between the European Community and Albania and stressed the importance of full implementation. In relation to the dialogue on visa liberalisation, the SA Council noted that Albania has made some progress and further efforts need to be made in order to fully meet the requirements of the roadmap.

The SA Council reviewed developments related to the political criteria. The EU reaffirmed the importance of strengthening political dialogue between major political parties, which is a key priority of the European Partnership. The EU stressed the importance of holding free and fair elections in June 2009 so as to meet domestic and international standards, incl. a reliable voters' list, facilitated access to ID cards for all citizens without passports in time before the general elections and complete collaboration with election observers. The EU stressed the need to further strengthen and to maintain a positive political climate conducive to sustaining a broad consensus on advancing key reforms as well as to the implementation of legislation and to strengthening administrative capacity.

The SA Council was updated by the Government on the functioning of the new Central Election Commission, the modernisation of the National Civil Registry and the Voting Registry as well as most recent developments regarding the distribution to Albanian citizens of ID cards and biometric passports. The Government reiterated its commitment to free and fair elections in full compliance with domestic and international standards

The SA Council also reviewed progress on judicial reform, which is a key European Partnership priority, stressing the importance of the rule of law and independence of the judiciary as core aspects of the political criteria for EU accession. The SA Council was informed of the Government's decision to follow the decision of the Constitutional Court to suspend implementation of the lustration law until completion of the review of that law. The EU called on Albania to safeguard the independence, transparency, efficiency and accountability of the judiciary, to complete the legal framework and to overcome shortcomings by adopting a comprehensive reform strategy for the judiciary.

Regarding efforts in the fight against corruption, which is a key European Partnership priority, EU considered that corruption remains widespread and constitutes a particularly serious problem. The institutional arrangements and inter-agency coordination in the fight against corruption remain weak and could be strengthened. Sufficient resources must be allocated with a clear timeframe for concrete measures to be taken. The EU called for further strengthening of the institutional capacity and de-politicisation of the administration, which are crucial prerequisites for the proper implementation of the Stabilisation and Association Agreement and the *acquis communautaire*. The Government recalled that the perception of corruption has improved. The Government also informed the SA Council of a number of reforms and steps taken, such as the establishment of the on-line system of tax payments, the conduct of all public procurements through the Electronic Public Procurements System as well as of the establishment of the one-stop-shop National Licensing Centre as of the beginning of June 2009.

The SA Council called for a consolidation of property rights, noting that unresolved property issues undermine efforts to develop a functional land market and kept foreign investment below potential. Recourse to effective and independent judicial review must be available.

In relation to freedom of expression, which is a key European Partnership priority, some progress has been registered. The EU recalled the importance of respecting media freedom, particularly in the period leading to the elections and with regard to enabling a balanced coverage by the public broadcaster.

The SA Council noted that on human rights and the protection of minorities the legislative framework is now broadly in place. The EU encouraged Albania to continue to implement measures to fulfil its commitments on the protection of minorities.

The SA Council recalled that in developing a democratic society, deeper efforts should be made to foster civil society. Increased participation of civil society organisations in reforms undertaken is essential. The EU informed the SA Council that it stands ready to continue to support Albania and its civil society sector in this regard.

Furthermore, the SA Council reviewed developments related to the economic criteria. The EU has taken note of the counter-cyclical measures by the Albanian central bank in early 2009 with the aim to strengthen confidence of market participants and the public at large and to maintain overall financial stability. The EU noted the Albanian authorities' wish for a closer cooperation with foreign-owned banks' home country regulatory authorities.

The SA Council acknowledged the improvement of the overall statistical framework. However, the limited overall resources available for implementing three major projects in the area of statistics (national accounts, economic census, agricultural census) may prove inadequate. The EU has taken note of progress towards establishing a functioning market economy by improving the national cadastre and the registration of property, but noted remaining shortcomings on urban property registration as well as on orderly market exit procedures (liquidation and bankruptcy procedures).

The EU has also taken note of progress made towards enabling the Albanian economy to cope with competitive pressure within the EU by implementing its privatisation agenda and upgrading the transport and energy infrastructure in the country, while increasing competition in the telecommunication sector.

The SA Council noted that the EU welcomed the progress made by Albania in aligning its legislation and capacity with European standards and in implementing Interim Agreement commitments. In this regard, the EU welcomed the continued progress made in areas such as customs and competition whilst encouraging Albania to step up efforts in other areas, such as energy, transport and intellectual property rights where progress has remained limited. The EU encouraged Albania to step up efforts to improve administrative capacity for the non-trade-related provisions of the SAA and for its implementation. The SA Council welcomed the continued progress on some sectoral policies and Albania took note of the information by the European Union regarding required further efforts in sectoral policies.

The SA Council reviewed the implementation of the IA/SAA and SAA, noting that Albania has been implementing the Interim Agreement well and has contributed to the smooth functioning of the various joint institutions. In particular, the SA Council welcomed the progress achieved in aligning with the SAA provisions in the field of competition, whilst Albania took note of the need for further efforts to bring its legislation on imports fully in line with the SAA.

Following the political decision of the European Council in Thessaloniki in June 2003, a Framework Agreement opening the door to the country's participation in Community Programmes entered into force in August 2005. CARDS and IPA funds are used to meet a part of the costs for the participation in the programmes. The EU welcomed the participation of Albania in the 7th Framework Programme for research, technological development; in the Entrepreneurship and Innovation component of the Competitiveness and Innovation Framework Programme; and in the Europe for Citizens Programme.

Finally, the SA Council exchanged views on the developments in the Western Balkans region and welcomed Albania constructive role in the region's stability. The SA Council welcomed the continued active participation of Albania in regional initiatives in South Eastern Europe, such as the South East European Cooperation Process, the Regional Cooperation Council and the Central European Free Trade Agreement (CEFTA) as well as contributions to the EU Althea Mission in Bosnia and Herzegovina and to the peacekeeping mission in Chad.

The SA Council welcomed each delegation's decision regarding its SA co-secretary (Mrs Sonila Vahti for Albania and Mr Jonas Jonsson for the EU).