



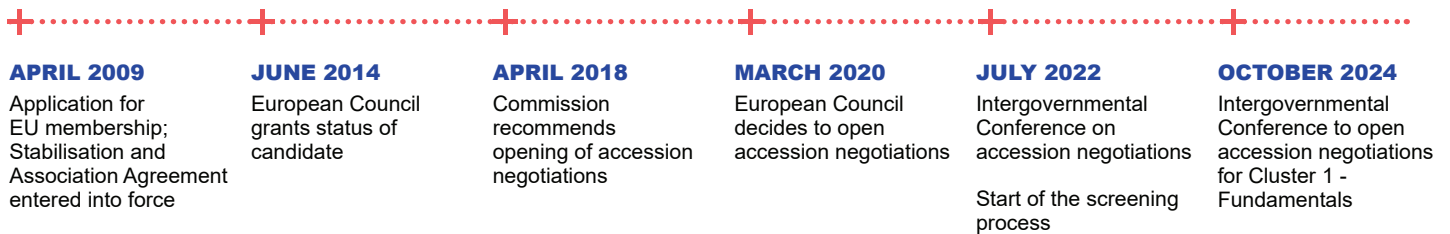
THE EU AND ALBANIA

#WesternBalkans
#EUEnlargement

October 2024



Albania is an **EU candidate country** since 2014.



Growth Plan for the Western Balkans

In 2023, the EU announced a landmark **Growth Plan** to accelerate Western Balkans partners' socio-economic development and EU integration.

The Plan aims to boost **socio-economic convergence** through enhanced economic integration with the **EU's single market**, regional integration within the **Common Regional Market**, accelerating fundamental reforms.

As part of this Growth Plan, Albania was invited to prepare a **Reform Agenda** focusing on reforms to **unlock national and regional growth potential** and related to the fundamentals of the enlargement process, including the **rule of law, democracy, the respect of human rights and fundamental freedoms**.

A €6 billion **Reform and Growth Facility** for the Western Balkans will provide key support to the implementation of the Growth Plan. The Commission approved the Reform Agenda of Albania in October 2024. **€922.1 million in non-repayable grants and favourable loans** will be available to Albania **when** it meets the conditions it has committed to in its own Reform Agenda.



The EU is Albania's

✓ largest trade partner

✓ largest investor

✓ largest provider of financial assistance



Ongoing EU support for Albania

The **EU** is the **largest provider of financial assistance** to Albania. It offers a variety of programmes and instruments to support Albania's development and EU accession process.

Instrument for Pre-Accession (IPA)

Between **2021-2024** the EU has allocated **over €500 million** of financial and technical assistance to Albania under IPA III. Assistance is provided in the form of **non-repayable grants**. This includes:

- **€80 million Energy Support Package**, which supported vulnerable families and SMEs in Albania in dealing with energy prices.
- Over **€30 million support for improving the protection of the environment** and developing inclusive and gender responsive circular economy and sustainable green growth in Albania.
- **€115 million support for rehabilitation and reconstruction of schools and cultural sites** following the devastating 2019 earthquake.



Economic & Investment Plan (EIP)

The EU's **EIP for the Western Balkans** identifies 10 flagship investments in sustainable transport, clean energy, environment and climate, digital future, human capital and the private sector, to support a green and digital transition and bring the region closer to the EU's single market.

For projects in **Albania**, since 2020 the EU has already mobilised **€1.4 billion in investments thanks to €600 million in EU grants**. Funds are raised through tools such as the Western Balkans Investment Framework (WBIF). This includes:

- Rehabilitation of the 120 km railway section Vore-Hani i Hotit, including **the renovation of 12 train stations, modernisation and electrification of the railway tracks**.
- A floating solar photovoltaic power plant at Vau i Dejës' lake, producing **18 GWh of electricity and displacing 8 700 tonnes of CO2 each year**.
- **654 computer labs in 615 primary and secondary schools** to enhance the computer programming skills of young students.

What we are achieving together



713 MW renewable energy generation capacity installed



185 km of railway lines rehabilitated



Improved water and sanitation services for over **975 000 people**



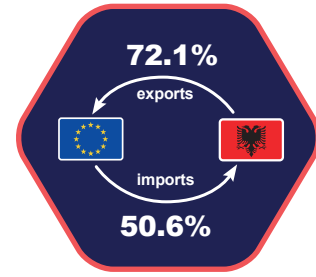
627 schools equipped with smart labs for **198 000 students/year**



Close trade & investment links

The EU is Albania's main trading partner. In 2023, the EU accounted for 57.7% of Albania's total trade in goods (72.1% of total exports and 50.6% of total imports). Total EU Foreign Direct Investment reached €736.3 million in 2022.*

Progressive trade liberalisation and mutual duty-free access for most goods has been taking place since 2006 and is currently based on the EU – Albania **Stabilisation and Association Agreement (SAA)**.



Foreign & security policy cooperation

Albania has continued to fully align on EU's **Common Security and Defense Policy** positions and declarations. In addition:

- Albania continued to actively participate in EU crisis management missions and operations under the Common Security and Defense Policy, notably **EUFOR Althea** in Bosnia and Herzegovina.
- Under the **European Peace Facility**, in 2024 the EU adopted a €13 million measure to strengthen operational effectiveness, mobility and protection of the Albanian Armed Forces.
- The EU provides support in facing hybrid threats, including cyber and foreign information manipulation and interference.



People to people contacts

- Since 2010, Albanians benefit from **visa-free travel** to the EU.
- The EU has funded over **7 700** exchanges between EU and Albanian citizens in the areas of education, training, youth, and sport under **ERASMUS+** since 2021.
- In April 2024, the EU has supported the establishment of a **new College of Europe campus** in Tirana.



* Source: DG Trade

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