

# ALBANIA

## Annual Budget Allocations Gender Review

2025 Budget Commentary  
from a Gender Perspective



2025

Gender Budget Watchdog Network

# Executive Summary

## Introduction

Albania's 2025 State Budget marks positive steps toward sustainable development, accelerating European integration, and strengthening social protection for the most vulnerable segments of society. With a projected economic growth of 3.9%, a budget deficit positioned at 2.6% of GDP, and public debt expected to fall to 55.8% by the end of the year, the government continues to pursue a cautious policy of fiscal consolidation.

The 2025 budget also foresees a notable increase in public investments, with over 6.2% of GDP dedicated to infrastructure projects in road, rail, and digital sectors, as well as increased funding for key sectors such as education, healthcare, and social protection.

As with the 2023 and 2024 budgets previously analyzed by the Gender Alliance for Development Center (GADC), this 2025 draft budget also includes components of gender-sensitive budgeting, where 9.1% of public expenditures aim to address gender inequalities. This includes funding for initiatives targeting women in need, unemployed mothers, victims of domestic violence, girls in the education system, and women in rural areas seeking access to agricultural advisory services and subsidies.

However, despite this nominal increase in percentage, there is no detailed annual analysis or evaluation report that measurably shows how these funds have actually been distributed, which groups have specifically benefited, and which have been left out. The absence of monitoring mechanisms, the lack of sex-disaggregated data, and the absence of measurable indicators on the impact of gender policies in each sector undermine transparency and public accountability.

In a context of multiple transitions — economic, social, and institutional — toward integration into the European Union, the 2025 State Budget presents a mixed picture: on one hand, it promises macroeconomic stability and modernization of public services, but on the other hand, support for gender policies remains fragmented, scattered across various subprograms, and lacking a unified long-term strategy.

As a result, although the budget reflects clear intentions toward gender equality, without a well-defined framework for gender monitoring and reporting at both national and local levels, there is a real risk that these intentions will remain merely declarative and will not bring tangible improvement to the lives of women and girls in Albania.

## Economic and Demographic Context from a Gender Perspective

- Life expectancy continues to show gender differences: women live on average 81.9 years, while men live 77.9 years.
- According to the 2023 Population Census, women and girls make up over 50% of the population, and represent 49.7% of the active age group (20–34), indicating that women are a significant demographic and economic force.
- The employment rate for women is 61.8%, significantly lower than that of men (72.9%), reflecting ongoing structural barriers to equal access to the labor market.
- The average gross wage for women remains lower than that of men, although detailed data on gender pay gaps in the public and private sectors is lacking.

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## Comments from a gender perspective

The health sector includes several programs dedicated to improving women's reproductive and gynecological health, which represent important steps toward meeting the specific health needs of women and girls.

However, the budget still does not foresee dedicated gender-sensitive mental health programs, despite the rising cases of anxiety, depression, and trauma-related disorders that disproportionately affect women—particularly those experiencing domestic violence, long-term unemployment, or multiple forms of discrimination.

Furthermore, there is a lack of intersectional analysis on access to health services for women from marginalized groups—such as Roma and Egyptian women, women with disabilities, or women in remote rural areas—who face structural barriers in both access and quality of care.

To achieve real and inclusive impact, health sector budget planning must integrate measurable gender indicators and involve consultation with women as direct users of the health system, in order to genuinely address their diverse and multiple needs.

## Education and Vocational Training

- The planned education budget for 2025 is 85.2 billion ALL, representing 3.3% of GDP. The allocated funds aim to improve the quality of and access to the education system for all students and pupils.
- Among the included measures is the provision of free school textbooks for students from families in need and for girls who are victims of trafficking, as a way to reduce economic barriers that hinder continuing education.
- School transportation is provided for students living more than 2 kilometers from school, with 44% of the beneficiaries being girls—encouraging school attendance among girls in rural or isolated areas.
- Vocational training programs will include 7,500 individuals, with a particular focus on young men and women, as part of efforts to support their integration into the labor market.

### Comments from a gender perspective:

The education and vocational training policies for 2025 contain clear elements of gender sensitivity, particularly in supporting girls and women from socially and economically vulnerable backgrounds. The provision of free textbooks and school transport are concrete steps that help reduce school dropout rates, especially in groups where economic pressure on girls is highest.

However, there is a lack of detailed data on the inclusion of girls and women from the most marginalized communities—such as Roma and Egyptian women, women with disabilities, or girls in other difficult social situations. Without this data, it is impossible to assess whether the programs are genuinely inclusive or merely symbolic in nature.

Additionally, there are no indicators measuring the long-term impact of vocational training policies on women's employment, particularly in sectors where informal or low-paid work dominates. As a result, the gender impact of these measures remains unclear, highlighting the need for a comprehensive strategy for education and the economic empowerment of women.

## Social Protection and Gender Inequalities

- Social protection programs for 2025 are projected to support around 62,000 families in need, of which 47% are women who have experienced domestic violence. This represents a significant effort to protect and empower victims of gender-based violence through direct financial interventions.
- 8,000 unemployed women with three or more children under the age of 18 will receive support in the form of social and health insurance contributions, as a measure aimed at easing the burden of family care and maintaining their connection to the social security system.
- The “Baby Bonus” program will continue to support 33,000 new parents in covering expenses during the first months after birth, with one-time payments ranging from 40,000 to 120,000 ALL per newborn.

### Comments from a gender perspective:

The social protection policies included in the 2025 budget provide a safety net for many women in difficult socio-economic situations, including victims of violence, single mothers, and women without stable income. These interventions are important for ensuring their short-term survival and that of their children.

However, economic aid and direct payments alone are not enough to break the cycle of poverty and economic dependency faced by many women. The absence of a comprehensive approach that combines social protection with real opportunities for economic integration, sustainable employment, tailored training, and access to childcare services limits the long-term impact of these measures on women’s empowerment.

Furthermore, there is no gender- and group-disaggregated data that would allow for analysis of the real impact of the programs on women from marginalized communities such as Roma and Egyptian women, women with disabilities, or those in highly isolated areas.

To meaningfully achieve the goals of gender equality and social justice, social protection must evolve from basic assistance into a comprehensive empowerment system for women and families, including active support for employment, healthcare, education, and safe housing.

## Housing and Women – Social Security or a Short-Term Solution?

- For 2025, the budget foresees those 970 women and girls who are victims of domestic violence will be supported through social housing programs, ensuring access to subsidized housing as a form of emergency protection and temporary stability.
- In addition, rent subsidy schemes and housing condition improvement programs will also include female heads of households and single-parent families, with the aim of ensuring affordable and safe shelter for women who cannot afford housing on the open market.

### Comments from a gender perspective:

The inclusion of women victims of violence and female-headed households in social housing programs represents a significant step toward securing basic rights to safety and dignified living conditions. These policies contribute to breaking the cycle of violence and economic dependency by offering women a chance to rebuild their lives.

However, the budget does not provide detailed information on the quality, location, and service accessibility of the housing provided, nor does it foresee long-term support beyond the emergency shelter phase—such as access to employment, psychological assistance, or legal aid to support women's integration into society and the labor market.

Furthermore, the mechanisms for inter-institutional cooperation remain unclear, particularly between municipalities, social service centers, and justice institutions, which are crucial to ensuring a comprehensive response and not just physical shelter.

For sustainable support, housing programs must be accompanied by socio-economic integration measures, including medium-term financial assistance, vocational training, supported employment, and childcare services—ensuring that housing is not merely a “temporary stop,” but a meaningful step toward full empowerment and independence for women.

## Local Budget and Its Impact on Gender Equality

**The local government budget for 2025 reaches 89.9 billion ALL, representing 3.43% of GDP, and marks an increase of 13.2% compared to 2024.**

This increase reflects a commitment to strengthening the financial capacities of municipalities, aiming to improve the delivery of decentralized services such as housing, economic aid, social care, preschool education, and elder care.

The budget also includes unconditional transfers from the central government, which have seen steady growth compared to the years before the administrative-territorial reform.

### Comments from a gender perspective:

Although the increase in the local government budget can be seen as an opportunity to improve the lives of women and girls in communities, the lack of an institutionalized approach to gender equality at the local level limits the real impact of these funds. Municipal budgets are typically drafted without using sex-disaggregated data and without measurable indicators of the gender impact of public spending, making it difficult to assess whether and to what extent local investments address the specific needs of women.

In practice, many municipalities lack the technical and human capacity to integrate gender equality into budget planning and implementation. Social services administered by local authorities have a direct impact on the lives of women—especially those facing domestic violence, female heads of households, or caregivers of dependents. However, in the absence of a gender analysis of services, there is a risk that public resources will be distributed in a gender-neutral way, further deepening existing inequalities.

For fair and measurable impact, it is essential that local budget planning includes active consultation with women in the community, uses sex-disaggregated data, and integrates monitoring and accountability mechanisms for gender outcomes. Only in this way can financial decentralization translate into equal and inclusive development at the local level.

## Agriculture, Tourism, and Women in Rural Development

- For 2025, it is planned that 520 women will benefit from agricultural advisory and information services, through funds dedicated to technical support in agriculture.
- Strategic objectives include increasing employment in the agro-processing sector and improving farmers' access to modern irrigation systems, which have a direct impact on the productivity and income of women working in agriculture.
- In the cultural and heritage sector, special support is planned for women artisans and artists, as part of efforts to strengthen their role in local economic development and the promotion of cultural identity.

### Comments from a gender perspective:

Support for women in rural areas and in the cultural heritage sectors is gradually gaining more attention in public policies, reflecting a growing recognition of their potential role in the economic and social development of communities. However, the number of women benefiting from specific programs remains extremely limited compared to the real needs in sectors such as agriculture and handicrafts. For 2025, only 520 women are expected to receive agricultural technical advice—a modest figure considering the size of the active female population in rural areas.

Women working in agriculture and artisanal economies face a range of structural barriers, including lack of land ownership, limited access to finance, technology, and markets, and the burden of unpaid domestic labor. Existing policies do not adopt a comprehensive approach to their economic empowerment, as they lack support for direct subsidies, product certification, inclusion in marketing networks, or the formalization of women-owned small businesses. Similarly, support for women in the cultural heritage sector remains fragmented and lacks an integrated development strategy, with no mechanisms in place to ensure the sustainability and promotion of their work at the local and national levels.

On the other hand, the increase in funding for local government creates real potential for improving basic services that directly affect the lives of women and girls—such as social housing, economic aid, preschool education, and social care.

However, without a clear and institutionalized approach to gender budgeting at the local level, these opportunities risk going untapped. Most municipalities lack sex-disaggregated data, do not apply mechanisms to assess the needs of women in the community, and face a lack of technical capacity to design and implement gender-sensitive policies. This hinders the ability to measure the real impact of public spending on gender equality and undermines accountability for the implementation of women's rights at the local level.

## Conclusions

In the gender analysis of the 2025 State Budget, there is a noticeable overall increase in budgetary commitment, with a significant rise in funding for key areas such as public investments, education, healthcare, and social protection. The budget also includes a stated approach to gender-sensitive budgeting, with 9.1% of public expenditures aiming to address gender inequalities. However, support for women and girls remains selective and limited to a few isolated areas, such as the provision of free textbooks, disease screening, assistance for unemployed mothers, and some interventions in agriculture through technical advisory services for a small number of beneficiaries.



Beyond these positive elements, there is a lack of transparency and systematic gender evaluation of public spending, due to the absence of sex-disaggregated data, lack of intersectional analyses, and the absence of measurable indicators for gender impact across sectors. In this context, gender equality is still treated as a secondary component—partially integrated and lacking a clear and coordinated strategy—both at the national and local levels.

Local governance, which plays a key role in delivering services that directly impact the lives of women and girls, lacks the necessary capacities to implement gender budgeting. Most municipalities do not have gender analysis mechanisms, lack resources for practical implementation, and often conduct planning without the use of sex-disaggregated data. As a result, the impact of local budgets on gender equality remains unmeasured and potentially unequal.

Finally, women in rural areas, as well as those belonging to marginalized communities or facing multiple barriers, continue to be underrepresented in existing programs. Many of them do not benefit from designed measures due to reasons such as the lack of targeted outreach, silent institutional exclusion, and longstanding unresolved structural barriers. These findings show that, despite some progress, the path toward genuinely gender-responsive budgeting requires bolder and more systematic actions.

## Recommendations

Addressed to the Ministry of Finance, which holds the primary responsibility for preparing, coordinating, and overseeing the implementation of the State Budget, as well as the relevant sectoral ministries (Health and Social Protection, Education and Sports, Agriculture and Rural Development), and the municipalities at the local level, the following priority measures are recommended to strengthen gender-sensitive budgeting:

### Analyze the Gender Impact of Previous Budgets and Programs

Before drafting future budgets, the Ministry of Finance should conduct a thorough analysis of the impact of previous budget allocations and gender-focused programs. This evidence-based approach will inform policy decisions and ensure that resources are directed toward interventions that have proven effective in advancing gender equality.

### Institutionalize Gender Budgeting at All Levels of Governance

The Ministry of Finance should integrate gender budgeting throughout the entire budget cycle: from planning to implementation, monitoring, and evaluation. Sectoral ministries and local government units should designate clear budget lines for programs with a direct impact on improving gender equality.

### Develop a National Framework for Gender Monitoring and Reporting

A set of measurable gender indicators should be created across all key public policy areas. The Ministry of Finance, in collaboration with INSTAT and the relevant ministries, should require regular and mandatory annual reporting on the gender effects of policies and public expenditures. Strengthen Local Capacities to Implement Gender Budgeting The Ministry of Finance, in cooperation with the School of Public Administration (ASPA), should organize training sessions for municipal staff on gender analysis and gender-sensitive budget planning. Municipalities should use sex-disaggregated data when preparing annual plans and identifying beneficiaries.



## Expand Measures for Women's Economic Empowerment

The Ministry of Agriculture and the Ministry of Economy should increase support for women entrepreneurs in agriculture, crafts, and small businesses through subsidies, mentoring, and tailored training based on market demands. The formalization of women-owned businesses should be supported through access to finance and targeted support schemes.

## Integrate Gender Equality into Sectoral and Cross-Sectoral Policies

The Ministry of Health and Social Protection should integrate gender-sensitive mental health programs and ensure access for the most marginalized groups.

The Ministry of Education and Sports should monitor the long-term effects of education and vocational training policies on the employment of girls and women, especially in remote regions.

The Ministry of Health and municipalities should link social protection with labor market integration, childcare, and safe housing measures.

Housing programs should be accompanied by post-shelter support such as assisted employment, psychological aid, childcare, and legal assistance.

## Broaden Women's Participation in Consultation and Decision-Making Processes

The Ministry of Finance and sectoral ministries should ensure the active inclusion of women's organizations and marginalized groups in the design of public policies and in monitoring budget implementation. Structured and regular consultations—especially at the local level—should be held to ensure that women's voices are heard and reflected in decision-making processes.

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