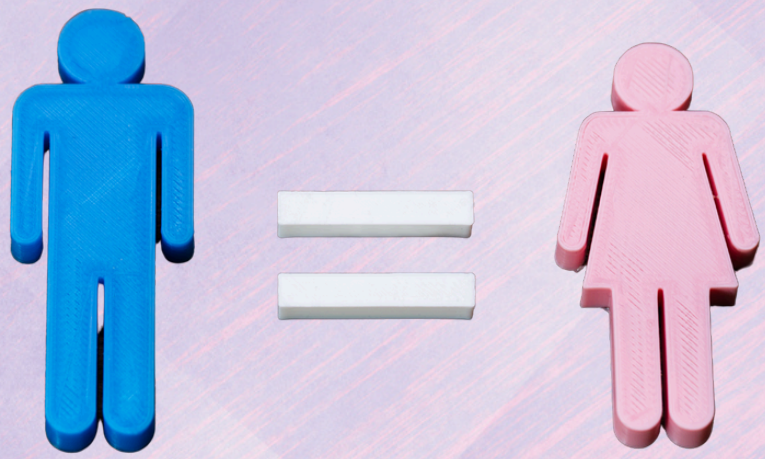
ALBANIA

Commentary on the 2026 Albanian State Budget from a Gender Perspective



Gender Alliance for Development Center
Qendra Aleanca Gjinore për Zhvillim

Table of Contents

ABBREVIATIONS 2
EXECUTIVE SUMMARY 3
INTRODUCTION 5
FISCAL CONTEXT: STABILITY WITHOUT ANALYZED EQUITY 6
LABOUR MARKET: A GAP THE BUDGET DOES NOT ADDRESS 7
SOCIAL PROTECTION: VISIBLE PROGRESS, BUT NOT TRANSFORMATIVE 9
HEALTHCARE: SPECIFIC INTERVENTIONS, LACK OF A SYSTEMIC APPROACH 12
EDUCATION AND ECONOMIC EMPOWERMENT: UNTAPPED POTENTIAL 14
BUDGET AND INVESTMENTS: LACK OF GENDER INTEGRATION 16
RURAL WOMEN: ONE OF THE LARGEST GAPS 19
RECOMMENDATIONS FOR INTEGRATING GENDER EQUALITY INTO THE 2026 BUDGET 20
REFERENCES AND BIBLIOGRAPHY 23

Abbreviations

EU – European Union
GRB – Gender-Responsive Budgeting
INSTAT – Institute of Statistics
IPA – Instrument for Pre-Accession Assistance
SAI – Supreme State Audit Institution
MTBP – Medium-Term Budget Program
GDP – Gross Domestic Product
PPP – Public-Private Partnership
STEM – Science, Technology, Engineering and Mathematics

Executive Summary

This commentary analyzes the 2026 State Budget from a gender perspective and argues that, although the budget reflects macroeconomic stability and an expansion of social interventions, it still does not function as a real instrument for gender equality.
The fiscal framework for 2026 is based on economic growth of around 4%, a budget deficit of 2.3% of GDP, and a high level of public investment, reflecting fiscal discipline and continuity of development priorities. However, this stability is not accompanied by an analysis of distributive and gender equity: budget documents do not clearly show who benefits from expenditures, who bears the relative burden of fiscal policies, and how the most vulnerable groups particularly women are affected.

Although around 9.5% of public expenditures are classified as gender-based, this classification remains largely formal. There is a lack of transparency regarding the methodology used, measurable performance indicators are missing, and sustainable monitoring and reporting mechanisms are absent.
As a result, it is unclear which policies are truly considered "gender-responsive," which categories of women and girls benefit from them, and to what extent these interventions contribute to reducing existing inequalities. Gender equality continues to be treated more as a sectoral component rather than as a horizontal principle integrated across the entire budget cycle.
The analysis of the labour market shows that the gender gap remains pronounced and structural. The employment rate for women remains significantly lower than that of men, reflecting barriers such as the disproportionate burden of unpaid care work, the lack of support services, gender segregation in lower-paid sectors, and limited employment opportunities, especially in rural areas.
The 2026 budget includes measures such as increasing the minimum wage and indexing public sector salaries, but these primarily address the symptoms of inequality rather than its root causes. Without gender analysis of beneficiaries, investments in the care economy, and targeted active policies for women, their impact remains limited.

In the field of social protection, the budget includes important measures for families in need and women in vulnerable situations, including economic assistance, support for women with many children, childbirth payments, baby bonuses, and the gradual increase of pensions.These interventions represent visible progress and provide a minimum level of economic security, particularly for women most exposed to poverty. However, the approach remains largely compensatory rather than transformative. There is no clear link between social protection, employment, and economic empowerment, differentiated targeting for the most marginalized groups is lacking, and there is no evidence as to whether these measures actually help beneficiaries move out of poverty.
In the healthcare sector, the 2026 budget includes direct measures of importance for women, such as screening for breast and cervical cancer and interventions for breast reconstruction. These are positive steps, but they remain fragmented and limited in

coverage. A systemic approach is lacking to ensure equal access, continuity of care, and integration of the social dimension of health. Additionally, mental health is not treated as a gender-sensitive priority, and there is a lack of data and analysis on women's access to services in rural areas and marginalized communities.

Regarding education and economic empowerment, the budget supports measures such as free textbooks, vocational training programs, and the inclusion of women in employment programs. These measures have significant potential to reduce inequalities in the long term, but there is a lack of a direct link between education, vocational training, and real employment opportunities. The programs do not sufficiently address gender segregation, do not measure long-term employment outcomes, and do not give adequate attention to girls and women in more disadvantaged situations. As a result, investments in human capital risk not translating into real economic empowerment.

The analysis of the local budget and public investments highlights a major gap in gender integration. Local government and public investments are key instruments for quality of life, access to services, and the creation of economic opportunities, yet they are not analyzed from a gender perspective.
There is no clear obligation for gender budgeting at the local level, gender-disaggregated data is lacking, and there is no assessment of the gender impact of public investments and public-private partnerships (PPPs). This means that development may be economically efficient, but not necessarily fair and inclusive.

One of the largest gaps in the budget concerns rural women. Despite their important role in agriculture and the household economy, the support allocated to them is very limited.The low number of beneficiaries of advisory services and the lack of dedicated measures for land ownership, access to finance, and market integration indicate that the budget does not seriously address the structural inequalities affecting rural women. This represents not only social injustice, but also a loss of economic potential.

Overall, the analysis concludes that the 2026 Budget shows progress at a formal level, but remains partial, fragmented, and more oriented toward inputs than results.
To move from a declarative approach to a transformative one, full institutionalization of gender budgeting is required, along with the establishment of measurable indicators, annual public reporting, integration of gender analysis into public investments and PPPs, strengthening of local budgeting, investment in the care economy, and dedicated programs for rural women.
In this sense, gender equality should not be treated as an add-on to the budget, but as a fundamental criterion for the fairness, effectiveness, and sustainability of public policies.

Introduction

The 2026 State Budget presents a stable macroeconomic framework, supported by clear objectives for economic growth, deficit reduction, and prudent public debt management.
It also reflects an expansion of social interventions and an increased focus on key sectors such as social protection, healthcare, and education, aiming to improve the well-being of citizens.

However, from a gender perspective, the budget remains **fundamentally partial in its approach, fragmented in its implementation, and more oriented toward financial inputs than measurable results.** Gender equality is not yet integrated as a horizontal principle that runs across the entire budget cycle from planning and resource allocation to implementation, monitoring, and evaluation of public policies. Instead, it is largely treated as an isolated component within certain sectoral programs.

Although around **9.5% of public expenditures are classified as gender-based**, this percentage reflects more a formal budget labeling exercise than a real transformation in how the budget addresses gender inequalities.
The lack of transparency regarding the methodology used to classify these expenditures, as well as the absence of clear performance indicators, makes it unclear:

- which policies are genuinely considered "gender-responsive,"
- which groups of women and girls benefit,
- and to what extent these interventions contribute to reducing inequalities.

In particular, **the lack of gender impact analysis and structured monitoring and reporting mechanisms** seriously limits the ability to assess the effectiveness of the budget.
Without gender-disaggregated data, measurable objectives, and periodic evaluations of results, the budget cannot be considered a comprehensive instrument of social and gender justice.
As a result, there is a real risk that, despite the overall increase in public spending and social interventions, **the benefits of economic development will be distributed unevenly between women and men**, thereby reproducing or even deepening existing structural inequalities in the labour market, access to services, and economic opportunities.
In this context, the main challenge for the 2026 budget is not only increasing financial allocations, but **shifting from a declarative approach to a transformative one**, where gender equality is measured, monitored, and achieved through concrete results in the everyday lives of women and girls.

Fiscal Context: Stability Without Analyzed Equity

The 2026 budget projects economic growth of around 4% and a budget deficit at the level of 2.3% of Gross Domestic Product (GDP), reflecting a cautious approach to macro-fiscal stability and the consolidation of public finances. This framework demonstrates a clear orientation toward maintaining economic balances, reducing public debt, and strengthening the country's fiscal credibility.

From a technical perspective, these indicators are considered positive and aligned with sound public financial management practices. However, **fiscal stability in itself does not guarantee social justice or gender equality** unless it is accompanied by in-depth analysis of how public resources are generated and distributed within society.

In this regard, the 2026 budget documents present several fundamental limitations:

- **They do not analyze the impact of fiscal and budgetary policies on women and men**, failing to take into account structural differences in labour market participation, income levels, or access to public services.
- **They do not assess the distribution of benefits from public expenditures**, meaning it is not clear whether investments and social programs benefit women and men equally or disproportionately.
- **They do not analyze the revenue side from a gender perspective**, leaving critical questions unaddressed, such as: who pays more taxes in relative terms, how tax policies affect women in the informal sector, or women with lower incomes.
- **There is no assessment of the impact of the deficit and fiscal policies on vulnerable groups**, including poor women, women in rural areas, or women heads of households.

As a result, a significant analytical gap is created: while the budget is stable from a macroeconomic perspective, it does not provide evidence as to whether this stability translates into a **fair distribution of resources and opportunities.**

Thus, economic stability is not accompanied by an analysis of social and gender equity, creating the risk that fiscal policies may appear neutral but, in practice, reproduce existing inequalities.

In the absence of such analysis:

- the real impact of public policies on reducing the gender gap cannot be measured,
- the sectors where inequalities are most pronounced cannot be identified,
- and evidence-based corrective policies cannot be developed.

Table 1. Fiscal Framework and Gender Implications

Element	Value 2026	What it shows	Gender commentary
Revenues	823.1 billion ALL	Increase in revenues and strengthening of fiscal administration	It is not analyzed who contributes more – a gender perspective in taxation is missing
Expenditures	886.8 billion ALL	Expansion of public and social expenditure	It is not analyzed who actually benefits from these expenditures
Deficit	63.7 billion ALL	A controlled deficit in line with fiscal discipline	There is no analysis of the impact on vulnerable groups, including women
Public Investments	~6.5% of GDP	Focus on infrastructure and economic development	The impact on women's employment and inclusion is not assessed
Gender Budgeting	9.5%	Formal increase in gender inclusion	Without a clear methodology and without evidence on results

Labour Market: A Gap the Budget Does Not Address

Labour market data in Albania continue to show a pronounced gender gap, which is not merely statistical but reflects deep structural inequalities in the economy and society.
The employment rate for women is around **62.6%,** compared to **75.7% for men**, highlighting a difference of over 13 percentage points. This gap is not simply linked to economic cycles, but to persistent factors that limit women's participation in the labour market.

These factors include:

- segregimin gjinor në sektorë me paga më të ulëta,
- dhe akses të kufizuar në mundësi të qëndrueshme punësimi, veçanërisht në zonat rurale.
- the disproportionate burden of unpaid care work (care for children, the elderly, and the family),
- the lack of affordable and quality public services (nurseries, kindergartens, long-term care),
- gender segregation in lower-paid sectors,
- and limited access to sustainable employment opportunities, particularly in rural areas.

In this context, the 2026 budget includes several measures that could potentially have a positive impact, such as:

- an increase in the minimum wage to **50,000 ALL per month**,
- and the increase/indexation of salaries in the public sector.

These measures are important, as women are overrepresented in lower-paid sectors and in public administration (education, healthcare, social services). However, their real impact on reducing the gender gap remains unclear for several key reasons:

- **There is a lack of gender analysis of the beneficiaries of wage policies**, meaning it is not known whether women benefit proportionally more or less from these increases.
- **The care economy is not addressed,** even though it is one of the main barriers to women's participation in the formal labour market. Without dedicated investments in this sector, many women remain forced to stay outside the labour market or to engage in informal and insecure work.
- **Active employment policies targeted at women are lacking**, particularly for women in rural areas, women with disabilities, and women from marginalized communities.
- **There is no clear link between vocational training programs and women's actual employment**, making it difficult to assess the effectiveness of these interventions.

As a result, although the budget includes measures that may improve income levels, it does not address the root causes of gender inequality in the labour market.
This means that economic growth and wage increases risk having only a limited effect on narrowing the gender gap.

In essence, the 2026 budget intervenes in the symptoms (wages), but not in the structure of the problem (women's access to the labour market).

Table 2. Labour Market and Gender Gaps (Expanded)

Indicator	Value	What it shows	Main issue
Women's employment	62.6%	Lower participation in the labour market	Structural inequalities and social barriers
Male employment	75.7%	Higher and more stable participation	Persistent gender gap
Gender gap in employment	~13 p.p	Significant imbalance	Not addressed by budget policy
Wage policies	Increase	Potential for income growth	Without gender analysis of beneficiaries
Public sector	Women are overrepresented	Potential for positive impact	Without assessment of gender impact
Care economy	Not addressed	Key factor in women's participation	Unaddressed structural barrier
Employment programs	Exist	Opportunities for integration into the labour marke	Lack of evidence on actual outcomes
Rural women	Underrepresentation in benefits	A significant part of the workforce	Insufficient policies

Conclusion

The gender gap in the labour market remains pronounced and structural, while the 2026 budget does not address its main causes. Measures to increase wages are positive, but without gender analysis, investments in the care economy, and targeted policies for women, their impact remains limited.

As a result, the budget addresses the symptoms of inequality, but not its root causes, failing to ensure the real inclusion of women in the labour market.

Recommendations for the Labour Market and Economic Empowerment

- Active employment policies targeted at women should be designed and funded, particularly for:
  - women in rural areas,
  - women with disabilities,
  - women from marginalized communities.
- Fiscal incentives should be created for employers who hire women in high-growth and better-paid sectors (e.g. technology, energy, industry).
- Gender analysis of wage policies and their beneficiaries should be ensured in order to assess their impact on the gender gap.
- Vocational training programs should be linked to the real labour market through
  - partnerships with the private sector,
  - and monitoring employment after training.

Social Protection: Visible Progress, but Not Transformative

The 2026 budget confirms that social protection remains one of the main pillars of public policy, with a clear focus on supporting families in need, women in vulnerable situations, and other at-risk groups.
The planned interventions represent significant progress toward ensuring a minimum level of social protection and reducing extreme poverty.

In particular, the budget includes concrete measures with a direct gender impact:

- support for around **61,000 families receiving economic assistance**, of which approximately **40% of beneficiaries are women survivors of violence**,
- coverage of social and health contributions for around **8,300 women**, mainly mothers with many children and without stable income,
- **childbirth payments and baby bonuses**, as measures aimed at supporting families in the early stages of a child's life,
- as well as targets for increasing pensions, which are particularly important for older women, who are more exposed to poverty due to more fragmented employment histories and lower wages.

These measures are important and necessary, as they:

- address immediate situations of poverty and social exclusion,
- a basic level of economic security,
- and partially recognize the specific needs of women in vulnerable situations.

However, despite this progress, the budget's approach remains largely **reactive and compensatory** rather than transformative. In particular, several structural limitations are evident:

- **There is no analysis of pathways out of poverty (exit strategies)** – there is no evidence on whether beneficiaries of economic assistance are able to exit social schemes and integrate sustainably into the labour market.
- **There is no in-depth and differentiated targeting for the most marginalized groups,** such as women in rural areas, Roma and Egyptian women, women with disabilities, or women heads of households living in extreme poverty.
- **The measures remain fragmented and are not integrated with employment and education policies**, limiting their long-term impact on women's economic empowerment.
- **There is no assessment of the gender impact of the benefits**, meaning it is not known to what extent these policies reduce the gender gap in poverty and social exclusion.
- **Financial support is not always accompanied by supportive social services, such as counseling**, training, or reintegration programs, which are essential for breaking the cycle of poverty.

As a result, although the budget contributes to mitigating the consequences of poverty, it does not fully address **its structural causes**, particularly for women.

In essence, social protection in the 2026 budget helps manage poverty, but does not necessarily enable people to exit it.

Table 3. Social Protection and Gender Impact

Measure	Beneficiaries	What it shows	Gender assessment
Economic assistance	61,000 families	Support for families in need	Positive, but not transformative
Women survivors of violence	~40% of beneficiaries	Targeting a highly vulnerable group	Important, but requires additional support services
Women with many children	8,300	Support for women outside the labour market	Direct support, but not economically integrative

Measure	Beneficiaries	What it shows	Gender assessment
Childbirth payments	14,329 cases	Support for new families	Positive, but with short-term impact
Baby bonus	~33,000 beneficiaries/year	Demographic incentive and family support	Does not address long-term care burden
Pensions	Target 200–400 euros	Increased economic security	Critical for older women
Persons with disabilities	~94,000 beneficiaries	Support for vulnerable groups	Lack of gender analysis of beneficiaries
Social housing	Vulnerable families	Improvement of living conditions	Gender distribution of benefits is unknown

Conclusion

Without a clear and functional link between social protection, employment policies, and economic empowerment measures, public interventions risk remaining limited to a compensatory role, managing the consequences of poverty without addressing its structural causes. In the absence of such an integrated approach, beneficiaries, especially women remain dependent on social schemes, without real opportunities for economic independence and sustainable inclusion in the labour market.

As a result, a social protection system that does not build pathways to employment and does not economically empower women cannot reduce poverty sustainably, but merely manages it over time.

Recommendations

- Public investments in care infrastructure (nurseries, kindergartens, services for the elderly, and long-term care) should be increased.
- A national strategy for the care economy should be developed that:
  - reduces the burden of unpaid work for women,
  - and increases their participation in the labour market.
- The care sector should be formalized and supported as an economic sector, creating new and sustainable jobs.
- The economic assistance scheme should be reformed by linking it with:
  - employment programs,
  - vocational training,
  - and supportive social services.

- Clear exit strategies from poverty should be developed for beneficiaries.
- Targeting of the most vulnerable groups of women should be strengthened through the use of detailed data and in-depth analysis.
- Social services should be integrated with employment and healthcare services.

Healthcare: Specific Interventions, Lack of a Systemic Approach

The 2026 budget provides for a significant level of funding for the healthcare sector and includes several direct interventions of particular importance for women's health. In particular, the main measures include:

- breast cancer screening for around **5,000 women per year**,
- cervical cancer screening for around **12,500 women per year**,
- as well as the financing of **breast reconstruction procedures for around 350 women per year.**

These interventions represent important steps toward improving healthcare for women and addressing some of the most common gender-based health risks. They demonstrate recognition of women's specific needs and an effort to integrate elements of gender-sensitive healthcare into public policies.

However, despite these positive developments, the overall approach of the budget remains largely **fragmented and focused on isolated interventions**, without a clear systemic vision for women's health across the entire life cycle.

In particular, several important limitations are evident:

- **The coverage of screening programs remains limited compared to the actual needs of the female population.** The number of women who benefit is relatively low in relation to at-risk groups, raising concerns about access and the territorial reach of these services.
- **A preventive and comprehensive approach is lacking,** one that links screening, early diagnosis, treatment, and long-term follow-up of patients within an integrated system.
- **Mental health is not treated as a gender-sensitive priority**, despite the increase in cases of anxiety, depression, and trauma, particularly among women survivors of violence, women living in poverty, and those in insecure economic situations.
- **There is a lack of analysis of access to services for women in rural areas and marginalized communities**, where geographic, economic, and social barriers are more pronounced. Women in these areas often face:
    - long distances from healthcare services,
    - lack of information,
    - and financial constraints in accessing quality care.
- **There is a lack of detailed gender-disaggregated data on the use of healthcare services**, making it difficult to assess equality in access and the quality of services.

- **Healthcare services are not sufficiently linked with social services and protection mechanisms**, particularly for women in vulnerable situations (e.g. survivors of domestic violence).

As a result, while the budget addresses some important needs, it does not succeed in building a healthcare system that:

- is equally accessible to all women,
- is sensitive to gender differences,
- and ensures continuity of care.

In essence, the budget invests in necessary interventions, but does not yet build a healthcare system oriented toward gender equality.

Table 4. Healthcare and Gender Gaps

Area	Measure	What it shows	Main gap
Breast cancer	~5,000 women/year	Focus on prevention and screening	Limited coverage compared to the at-risk population
Cervical cancer	~12,500 women/year	Structured screening program	Greater needs and incomplete coverage
Breast reconstruction	~350 women/year	High-quality and advanced intervention	Relatively limited number of beneficiaries
Reproductive health	Fertility packages	Expansion of services	Limited coverage and unequal access
Mental health	Not addressed	Lack of political priority	Critical gap in services
Rural women	No specific data	Lack of analysis	Limited access and territorial inequalities
Gender data	Limited	Weak monitoring	Real impact cannot be measured
Service integration	Limited	Fragmented approach	Lack of coordination between services

Conclusion

A healthcare system that is limited to specific interventions, without ensuring equal access, continuity of care, and integration of the social dimension, cannot sustainably reduce gender inequalities. Women's health requires an integrated approach that goes beyond medical services and addresses equality in access and policy. **Without this approach, investments in healthcare risk having a partial and unequal impact.**

Recommendations

- The coverage of breast and cervical cancer screening programs should be expanded at the national level.
- Mental health should be integrated as a priority in health policies, with dedicated services for women.
- Analyses of access to healthcare services for women in rural areas and marginalized communities should be conducted.
- Systematic collection and reporting of health data disaggregated by gender should be ensured.
- The link between healthcare and social services should be strengthened, particularly for survivors of violence.

Education and Economic Empowerment: Untapped Potential

The 2026 budget treats education and vocational training as priority sectors for the country's economic and social development, aiming to enhance human capital and improve workforce skills.Within this framework, several concrete measures are envisaged that have significant potential to impact gender equality as well.

The main interventions include:

- the provision **of free school textbooks for around 220,000 students**, easing the financial burden on families and increasing access to education,
- the expansion of **vocational training programs,** aimed at aligning skills with labour market demands,
- and the inclusion **of 744 women and girls in employment promotion programs**, as a step toward their integration into the labour market.

These measures are important, as education and vocational training form the foundation for women's economic empowerment and for reducing inequalities in the long term. They contribute to expanding access to opportunities and improving the individual capacities of women and girls.

However, despite this potential, the impact of these policies remains limited due to several structural gaps:

- **There is no clear link between vocational training and actual employment.** There is no data on how many women and girls secure sustainable employment after

completing training, making the effectiveness of investments in skills development unclear.

- **Vocational training programs do not sufficiently address gender segregation in the labour market.** Women continue to be directed mainly toward traditional and lower-paid professions, while their representation in fast-growing sectors (technology, energy, engineering) remains limited.
- **There is a lack of analysis of women's career development in the education sector and beyond**, particularly in relation to:
  - access to leadership positions,
  - working conditions,
  - and career progression.
- **There is no integrated approach linking education, skills development, and employment policies**, creating a disconnect between investments in human capital and economic outcomes.
- **There is a lack of a specific focus on the most marginalized groups**, such as girls in rural areas, girls who drop out of school, and women re-entering the labour market after long periods outside it.
- **Social barriers affecting the participation of girls and women in education and employment are not addressed**, including gender norms, lack of childcare support, and safety in transport and work environments.

As a result, although the budget invests in education and vocational training, it does not fully harness their potential as instruments for women's economic empowerment.

In essence, the system supports access to education and training, but does not guarantee the translation of this access into real economic opportunities for women.

Table 5. Education, Skills Development, and Economic Empowerment

Area	Measure	What it shows	Main gap
Basic education	220,000 students with free textbooks	Increased access to education	Gender impact is not analyzed
Vocational training	Training programs	Skills development	Weak link to employment
Women's employment	744 beneficiaries	Inclusion in the labour market	Limited number and no long-term follow-up
Gender segregation	Not directly addressed	Structural reality	Women remain in lower-paid sectors
Women's careers	Not analyzed	Lack of evidence	Barriers to career advancement
Girls in rural areas	Not specifically targeted	Risk of exclusion	Lack of dedicated policies
Education–employment link	Weak	Suboptimal investment	Lack of cross-sectoral coordination

Conclusion

Without a direct and functional link between education, vocational training, and real employment opportunities, investments in human capital risk not producing concrete results in economic empowerment.
In the absence of this link, the benefits of education remain partial and do not translate into sustainable integration into the labour market. Education without employment does not create equality, but leaves untapped potential and persistent inequalities.

Recommendations

- Programs should be developed to increase girls' participation in STEM and high-paying sectors.
- The gender dimension should be integrated into education policies and into the career development of women within the education system.
- Mechanisms should be created to track the outcomes of vocational training, particularly in women's employment.
- Specific programs should be developed for:
    - girls in rural areas,
    - and women re-entering the labour market.

Budget and Investments: Lack of Gender Integration

The 2026 budget envisages a significant increase in the role of local government and public investments in the country's economic and territorial development. In this context:

- local government expenditures reach approximately **97.7 billion ALL**,
- while public investments remain at high levels, above **6.5% of GDP**, reflecting a clear priority for infrastructure, energy, transport, and urban development.

These are key instruments of public policy, as they directly impact:

- access to basic services,
- economic opportunities,
- and the quality of life of citizens at the local level.

However, despite their importance, these two components, local government and public investments, remain largely **disconnected from a gender perspective**, representing one of the biggest gaps in the 2026 budget.

Local Budget: High Potential, but Not Gender-Oriented

Pushteti vendor është niveli më i afërt me qytetarët dhe ofruesi kryesor i një sërë shërbimesh me ndikim të drejtpërdrejtë në jetën e grave, si:
Local government is the level closest to citizens and the main provider of a range of services that have a direct impact on women's lives, such as:

- social services,
- housing,

- public transport,
- community infrastructure (lighting, safety, public spaces),
- and care services.

However:

- **there is no clear legal or administrative obligation for municipalities to implement gender-responsive budgeting (GRB),**
- **there is a lack of gender-disaggregated data reporting at the local level,**
- and **there are no monitoring mechanisms for the gender impact of local expenditures**.

As a result, even though funding has increased, there is no guarantee that it addresses the specific needs of women and men in the community.

Public Investments: Economic Development Without Social Analysis

Public investments represent one of the most powerful instruments for:

- job creation,
- regional economic development,
- and infrastructure improvemen

However, in the 2026 budget:

- **there are no gender impact analyses for infrastructure projects, there is no data on women's participation in employment related to these investments,**
- and **it is not assessed whether these projects improve women's access to the economy and services.**

For example:

- a new road may increase mobility, but without gender analysis it is unclear whether women benefit equally (e.g. in access to jobs, healthcare services, education),
- investments in energy or water supply may reduce the burden of unpaid work, but this is neither measured nor documented.

PPPs and Concession Contracts: Lack of Gender and Social Transparency

Public-Private Partnerships (PPPs) and concession contracts continue to be part of the model for financing public investments and services. However:

- **there is a lack of systematic assessment of the social and gender impact of these contracts,**
- **the impact of tariffs and access to services on women and vulnerable groups is not analyzed,**
- and **there is a lack of transparency regarding the real benefits for local communities.**

This creates the risk that investments may contribute to economic development, but not necessarily to equality and inclusion.

Table 6. Investments and Gender Equality

Area	Status	What it shows	Main problem
Public investments	High (>6.5% of GDP)	Priority for economic development	No gender impact analysis
PPPs / Concessions	Present and increasing	Important financial instrument	No social and gender assessment
Local government	Funded (97.7 billion ALL)	Increased role of local government	No obligation for GRB (Gender-Responsive Budgeting)
Local services	Direct provision to citizens	High impact on women's lives	No gender-disaggregated data
Infrastructure	Priority	Improved access and mobility	No analysis of benefits for women
Employment generated by investments	Not reported	Potential for job creation	Women's participation is unknown
Monitoring	Limited	Focus on physical/financial implementation	Gender impact assessment is missing

Conclusion

When public investments and local budgets are not analyzed from a gender perspective, they may be economically efficient, but they do not guarantee fairness and equal inclusion.
In the absence of this approach, development risks focusing on building infrastructure without addressing social and gender inequalities. **Development without gender analysis builds projects, but not equality.**

Recommendations

- A requirement for gender budgeting should be established at the local level, integrated into municipal planning and reporting.
- Technical capacities of local administrations should be developed in gender analysis and GRB (Gender-Responsive Budgeting).
- Public reporting on the gender impact of local expenditures should be required.
- Communities and women's organizations should be included in local decision-making processes.
- A mandatory gender analysis should be conducted for every public investment project and PPP before approval.
- Gender indicators should be included in:
    - design,
    - implementation,
    - and the monitoring of investments.

- Women's participation in employment generated by public projects should be monitored.
- Transparency on the social and gender impact of PPPs should be increased, including access and tariffs.

Rural Women: One of the Largest Gaps

Women in rural areas represent one of the most important, yet at the same time most undervalued groups in the Albanian economy. They are widely engaged in agriculture, livestock, household processing, and other informal economic activities, contributing significantly to agricultural production and the well-being of rural families. However, this contribution often remains invisible and informal.

In this context, the 2026 budget foresees that only around **540 women will benefit from agricultural advisory and information services**, a figure that is significantly low compared to:

- the actual scale of women's involvement in the agricultural sector,
- and their needs for technical, financial, and institutional support.

This limited number of beneficiaries reflects a fragmented and insufficient approach to addressing the structural challenges faced by rural women.
n particular, women in rural areas face multiple barriers:

- **Lack of ownership over land and productive assets**, which limits their access to credit and investment.
- **Limited access to finance and support schemes**, due to lack of collateral and information.
- **High participation in unpaid family work**, which is neither recognized nor economically compensated.
- **Lack of representation in local decision-making and agricultural structures**, reducing their influence on policies that directly affect them.
- **Limited access to markets and value chains**, keeping them at low levels of productivity and income.

Despite these well-known challenges, the 2026 budget:

- does not provide dedicated large-scale programs for the economic empowerment of rural women,
- does not systematically integrate the gender dimension into agricultural and rural development policies,
- and does not provide mechanisms to increase women's access to land, finance, and markets.

As a result, there is a real risk that current policies will:

- fail to address existing inequalities,
- and leave the economic potential of rural women untapped, despite their role as key actors in local and national development.

In essence, rural women remain part of the economy, but not equal beneficiaries of public policies.

Conclusion

Without targeted investments in land ownership, access to finance, and integration into markets, rural development risks remaining economically active but socially unequal.
In the absence of policies that address these structural barriers, rural women continue to be underrepresented and limited in benefiting from economic development. **A budget that does not invest in rural women does not invest in the full and sustainable potential of the economy.**

Recommendations

- A dedicated national program for rural women should be established, including:
  - access to finance and concessional loans,
  - support for land ownership,
  - and integration into market value chains.
- Quotas or mechanisms should be established to increase women's access to and benefit from agricultural support schemes.
- Targeted advisory and training services for women farmers should be provided on a larger scale.
- The formalization of women's work in agriculture and the increase of their productivity should be supported.

Recommendations for Integrating Gender Equality into the 2026 Budget

Recommendations for the Ministry of Finance and Economy
1. Institutionalization of Gender-Responsive Budgeting (GRB)

- **GRB (Gender-Responsive Budgeting) should become a formal and measurable** requirement in all budget institutions, integrated into:
  - planning (MTBP),
  - implementation,
  - and reporting.
- **A mandatory technical guideline** should be adopted for:
  - classification of gender-related expenditures,
  - and impact assessment.

2. Indicators and Accountability

- Mandatory gender indicators should be established for each budget program (outputs and outcomes).
- Annual reports on the gender impact of the budget should be published, ensuring they are verifiable and comparable over time.
- Cooperation with INSTAT should be strengthened to ensure **gender-disaggregated data across all sectors**.

3. Gender Integration in Fiscal Policy and Expenditures

- **Gender analysis of fiscal policies (taxes, transfers, subsidies)** should be conducted to assess their distributional effects.
- **A mandatory gender analysis** should be required **for every public investment and PPP** before approval in the budget.

4. Care Economy and Employment

- Specific budget lines should be dedicated **to care services (nurseries, long-term care).**
- Social expenditures should be linked **to active employment policies for women**.
- **Fiscal incentives** should be developed **for the private sector** that invests in care services and the employment of women.

5. Local Public Finances

- A **requirement for GRB at the local level** should be established as a condition for transfers and performance-based grants.
- **Guidelines and training for municipalities** on gender-responsive planning should be developed.
- **Gender reporting at the local level** should be required as part of fiscal transparency.

6. Monitoring and Auditing

- The gender dimension should be integrated into:
  - internal auditing,
  - and the Supreme State Audit Institution (SAI).
- An **inter-institutional mechanism** should be established **to monitor GRB (Gender-Responsive Budgeting).**

Recommendations for the Parliament of Albania

- Require **mandatory gender analysis for the budget and all financial legislation.**
- Strengthen **parliamentary oversight of the budget's gender impact** through annual reports and public hearings.
- Require **measurable gender indicators and gender-disaggregated data** for every budget program.
- Monitor **public investments and PPPs from a gender perspective**.
- Include civil society in the **budget review process**.

Message:
Parliament must ensure that the budget is not only financially balanced, but also fair and inclusive.

Recommendations for the Supreme State Audit Institution (SAI)

- Integrate **gender auditing** as part of performance and compliance audits.
- Assess whether public funds **effectively address gender inequalities**, not only in terms of spending but also in outcomes.
- Require institutions to provide **gender-disaggregated data** and measurable indicators in budget programs.
- Include the gender dimension in the audit of **public investments and PPPs.**

- Publish **findings and specific recommendations on gender equality**, increasing transparency and accountability.

Public auditing should measure not only how funds are spent, but also whether they produce equality and social justice.

Recommendations for the European Union (EU Delegation and EU Institutions)

1. Conditionality and Integration into the Accession Process

- **Gender budgeting** should be integrated **as a clear criterion in Chapter 32** (Financial Control) and in socio-economic chapters.
- **Mandatory reporting on GRB** should be required **within the framework of EU progress reports** for Albania.
- IPA funds should be linked **to performance in gender equality and GRB (Gender-Responsive Budgeting).**

2. Targeted Funding and Technical Support

- Financial support should be provided for:
  - the development of GRB systems,
  - the care economy,
  - and programs for rural women.
- **Technical assistance** should be provided **to the Ministry of Finance and local institutions** for:
  - indicators,
  - methodologies,
  - and monitoring systems.

3. Gender Integration in EU Funds

- It should be required that all EU-funded programs:
  - include ex-ante gender analysis,
  - and **mandatory gender indicators.**
- The gender impact of IPA funds and EU investments in Albania should be monitored.

4. Support for Key Sectors

- Dedicated programs should be funded for:
  - **the care economy,**
  - **women's employment,**
  - and **the empowerment of rural women.**
- Investments that increase **women's access to markets and finance** should be supported.

5. Transparency and Civil Society Inclusion

- The inclusion of civil society organizations should be required in:
  - budget monitoring,
  - and policy-making processes.
- Mechanisms for independent **monitoring of GRB (Gender-Responsive Budgeting)** should be supported.

References and Bibliography

National Documents of Albania

- Ministria e Financave dhe Ekonomisë (2025). *Projektbuxheti i Shtetit 2026 dhe Programi Buxhetor Afatmesëm (MTBP) 2026–2028*. Tiranë.
- Ministria e Financave dhe Ekonomisë. *Udhëzime për përgatitjen e Programit Buxhetor Afatmesëm*.
- INSTAT. (2024–2025). *Treguesit e tregut të punës dhe statistikat gjinore*. Tiranë.
- INSTAT. *Femra dhe Meshkuj në Shqipëri* (publikimet më të fundit).
- Këshilli i Ministrave. *Strategjia Kombëtare për Barazinë Gjinore 2021–2030*.
- Këshilli i Ministrave. *Strategjia e Menaxhimit të Financave Publike 2023–2030*.
- Kuvendi i Shqipërisë. *Ligji për Buxhetin e Shtetit 2026*.
- Kontrolli i Lartë i Shtetit (KLSH). *Raporte auditimi mbi financat publike*.

International Documents and Standards

- OECD (2019). *OECD Recommendation on Gender Budgeting*.
- International Monetary Fund (2022). *Gender Budgeting and Fiscal Policy*.
- World Bank (2023). *Gender Equality and Development Reports*.
- UN Women (2020). *Gender-Responsive Budgeting Manual*.
- European Commission (2020). *Gender Equality Strategy 2020–2025*.
- European Institute for Gender Equality (2023). *Gender Budgeting Toolkit*.
- United Nations Development Programme (2021). *Gender Equality and Public Finance*.

Fiscal Standards and Classifications

- International Monetary Fund. *Government Finance Statistics Manual (GFSM)*.
- United Nations. *COFOG – Classification of the Functions of Government*.
- Eurostat. *Manual on Government Deficit and Debt*.

Literature and Analysis on Gender Equality and Gender Budgeting

- Budlender, D. & Hewitt, G. (2003). *Gender Budgets Make More Cents*. Commonëealth Secretariat.
- Elson, D. (2006). *Budgeting for Ëomen's Rights*. UNIFEM.
- Sharp, R. (2003). *Budgeting for Equity: Gender Budget Initiatives ëithin a Frameëork of Performance-Oriented Budgeting*.
- Stotsky, J. (2016). *Gender Budgeting: Fiscal Context and Current Outcomes*. IMF.

Documents on the EU Context and the Integration Process

- European Commission. *Albania Progress Reports* (vitet e fundit).
- European Commission. *Instrument for Pre-Accession Assistance (IPA III)*.
- Council of the European Union. *Gender Equality Conclusions*.