



**REPUBLIC OF ALBANIA**

**PEOPLE'S ADVOCATE**

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**Executive summary of the People's Advocate special report on poverty, the impact of the economic aid in reducing poverty and the People's Advocate activity related to the issue**

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*-Non official translation-*

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This special report analysis the phenomenon of poverty and the related laws and policy provisions. On the other hand, it concentrates as well on the efforts of the People's Advocate regarding the protection of individuals affected by poverty.

The People's Advocate has constantly monitored the performance and contribution of the social aid scheme in reducing poverty. The People's Advocate, through numerous complaints of individuals of poor families, field trips, assessment of the opinions given in the written and visual media, analysis of annual reports of the Ministry of Labour, Social Affairs and Equal Opportunities, local government conference organized by the ministry, research institutes and universities, has identified three main components of the economic aid program, that shall be addressed in accordance to current legislation related to the responsibility of governing institutions (central and local institutions):

- 1. Determining the legal standard of poverty** at the district level and for each local government unit and based on this, address the necessary funds for poverty reduction.

Programming and distribution of block/grants of the economic aid to the local government unit does not match the level of poverty indicators of the population of the communes and municipalities. In order to provide a solution to this situation, a new policy approach should take place with regard to the distribution of grants of economic aid.

- 2. Identification of poor individuals/families** that will be included in the scheme of economic aid by the administration of local government (municipalities/communes).

The People's Advocate has collected information from reports and analyzes made by local governments, and especially from the controls conducted by the inspectorate of economic aid of the State Social Services, regarding informality and failing to meet legal standards for economic aid program and has identified that the selection process for the benefit of economic aid presents:

- Irregularities, subjectivity and non correct implementation of legal criteria;
- Documentation fraud;
- Increase of the number of beneficiaries by the members of local councils units at the time of approval of this list, without meeting legal criteria.

Conditioning the distribution of the economic aid with community work, will positively affect the formation of a new mentality, when economic aid should be considered as a temporary, transitional and preparatory program to prepare individuals for the labour market and not as a shelter of laziness. The People's Advocate is convinced that the effects of this mechanism would also remove from economic aid scheme the abusive beneficiaries.

- 3. Determining the amount to cover basic needs** of the poor population according to a minimum standard of living and according to possibilities of the state budget, which must be equal for every person who has fallen into poverty, regardless of the local unit where he/she is a resident according to the registrar's office.

After a detailed analysis of the phenomenon of poverty and the impact of the economic aid program in reducing it, the People's Advocate makes the following conclusions and recommendations:

- From the complaints handled by the People's Advocate, it is observed that a significant number of the population lives in very difficult conditions, therefore further improvements are needed in terms of the level of benefit from economic aid;
- The application of conditioning of community work for benefiting the economic aid would make it an active scheme of social protection;
- Cooperation policies among central institutions and local government units, or common monitoring systems, to identify families that actually have no income from informal work;
- Increasing employment is the main route to increase production and income, which has a direct impact to poverty reduction;
- The economic aid has a low impact on poverty reduction, since the amount envisaged is insufficient to cover everyday living costs;
- Lack of coordination among central and local institutions, which are part of the social protection system, has slowed down the integration process of orphans in our country. An issue that requires a solution regards the identification of the needs of orphan children at the local level. Their benefits according to orphan status do not currently cover basic needs;
- Causes of hard work of children are related to their social exclusion, limited opportunities of their families to generate income, and poverty. Despite awareness campaigns undertaken by local governments, schools, NGOs, this phenomenon has not been prevented. In this context, it is needed a better coordination among institutions dealing with this issue, as well as providing alternatives of vocational training for young people in working age;
- It is necessary for parents or adults to be aware of the vocational training education, so that they appreciate the fact that an educated child has better opportunities for employment in the future than an uneducated child and that employment based on quality education improves their living conditions;
- The commitment and the accountability of state institutions and other factors of civil society would increase the interest of the society regarding the protection of persons with disabilities; provide an adequate economic treatment that would improve their housing conditions, increase employment opportunities, and their cultural educational and professional level, in order to enable their integration into society;
- Although the amount of economic aid aims at reaching the level of poverty consisting of 2 USD per day per person, the current mechanism does not fully provide this opportunity, because there are many legal restrictions that hold this process. Restrictions discriminate families with many members (children);
- According to the LSMS (Poverty Level Measurement Survey) survey, data shows that about 50% of the poor individuals are members of families that are composed of more than 6 members, and that the risk of poverty is present in families where family households are without education, or with 4-8-year school education;

- Due to the limitation of 8,000 ALL per month per family, families with many members according to the present mechanism benefit less money for each person on average, than other poor families who have fewer members.
- To establish justice and equality with regard to the amount received from the economic aid, without changing the existing mechanism of calculating the structure of the family, for all categories of people wherever they live, it should be increased the maximum amount of economic aid per family.
- In terms of meeting the objectives of social inclusion and non-discrimination of vulnerable groups, especially minorities (Roma, Egyptians), or families with many children, the People's Advocate suggests that the actual maximum 8,000 ALL per month should be increased in 10,000 ALL per month, trying to approach as closely as possible to the minimum pension level in the city areas.

To conclude, the People's Advocate emphasizes that the conclusions and recommendations mentioned above will as well be the target of evaluations and further analysis in collaboration with civil society organizations.