



Monthly newsletter

October 2025



The Chairman of the ALSAI, Mr. Arben Shehu, during his reporting to the parliamentary committees of the Assembly

Chairman of the Albanian Supreme Audit Institution, Mr. Arben Shehu, Presents the 2024 Annual Activity Report

On October 29, 2025, the Chairman of the Albanian Supreme Audit Institution, Mr. Arben Shehu, presented before the Joint Meeting of the Parliamentary Committee on Economy, Employment and Finance and the Committee on Citizens Initiatives, Cooperation and Institutional Oversight, the Annual Activity Report for 2024.

In his address, Mr. Shehu provided an overview of the ALSAI institution activities during 2024 and highlighted some of the key findings from the audits conducted.

"In fulfillment of our constitutional and legal duties, the Albanian Supreme Audit Institution, as the body responsible for external public audit, has continued with dedication to exercise its mandate in auditing public funds, public and state property, with the purpose of ensuring accountability, transparency, and improved management in the public sector. During 2024, ALSAI carried out 159 audits across all levels of governance. In line with its mandate, ALSAI conducted these missions across 205 entities. The audit opinions or conclusions were accompanied by 4,378 recommendations, including 2,594 organizational measures, 28 proposals for legal framework improvement, 1,059 disciplinary/administrative measures, 184 measures related to economic damage, and 513 measures addressing financial irregularities. These measures aim not only to correct deficiencies and assign responsibility but, above all, to prevent their recurrence," said the Chairman of ALSAI.

Mr. Shehu reaffirmed that the Albanian Supreme Audit Institution will remain an independent and trustworthy voice, always in service of the public and the general interest, contributing to the strengthening of good governance mechanisms.

Focusing on audits in areas of high public sensitivity, the Chairman of ALSAI stated that during 2024, 15 performance audits were carried out assessing the effectiveness, economy, and efficiency of public institutions in the exercise of their duties and functions, covering sectors such as health, education, culture, gender equality, the environment, and public services.

"Overall, the performance audits conducted during 2024 revealed that public institutions are not yet adequately oriented toward results-based management or the measurement of program and policy impact. Weaknesses in inter-institutional coordination, planning, monitoring, and resource use demonstrate a lack of efficiency and effectiveness in policy and program implementation, affecting both the quality of public services and citizens' trust in public administration," the Chairman of ALSAI emphasized.

Following the presentation, Mr. Shehu and ALSAI staff responded to Members of Parliament's questions regarding audit findings on healthcare concession contracts, hydrocarbons, road infrastructure, local governance, and the implementation of recommendations. Acknowledging MPs' requests for specific audits, the Chairman of ALSAI expressed full willingness to cooperate with parliamentary committees in addressing audit-related issues and ensuring the implementation of recommendations, with the goal of enhancing institutional accountability and promoting a more transparent, efficient, and citizen-oriented public administration.

Speech of Mr. Arben Shehu, Chairman of ALSAI, during the Presentation of the 2024 Annual Activity Report on the Committee on Economy and Institutional Oversight

Honorable Chairs of the Committees,
Honorable Ms. Ekonomi,
Honorable Mr. Xhafaj,
Distinguished Members of Parliament

In accordance with the constitutional and legal obligation of the Albanian Supreme Audit Institution to report periodically to Parliament, allow me to thank you for the opportunity to present the 2024 Annual Report. This communication is not merely a summary of our activities, but also a reflection of key findings, challenges encountered, and lessons learned, all aimed at strengthening accountability, transparency, and the quality of public governance.

In the exercise of its constitutional mandate, the Albanian Supreme Audit Institution (ALSAI), as the independent external public audit institution, continued with dedication to audit the management of public funds and assets, with the objective of ensuring accountability, transparency, and improved performance in the public sector.

During 2024, ALSAI conducted 159 audits across all levels of government — central, local, independent institutions, and state-owned enterprises. By type, these included: 45 financial audits, 43 compliance audits, 35 combined audits, 15 performance audits, 8 information technology (IT) audits, and 13 follow-up audits.

In line with its mandate, ALSAI audited 205 entities: 97 central government institutions, 75 local government units, 13 independent institutions, and 20 state-owned enterprises (where the state holds over 50% of shares).

In accordance with the mission of the ALSAI and the International Auditing Standards, the objective of each audit is to provide, at the end, an overall opinion/conclusion, accompanied by relevant recommendations for addressing the identified issues. From the audits conducted during 2024, 194 audit opinions/messages/conclusions were provided: 80 financial, 78 compliance, 15 performance messages, 8 IT conclusions and 13 conclusions on the implementation of recommendations.

With regard to the quality of opinions, in 29 cases an unmodified opinion was issued, meaning that the financial statements presented fairly and accurately, in all material respects, the financial position and the results of operations, in accordance with the applicable financial reporting framework. In 7 cases, due to material, fundamental, and pervasive deficiencies, an adverse opinion was issued. The remaining cases consist of qualified opinions, where the financial statements contain material but not pervasive misstatements. The audit opinions or conclusions were accompanied by 4,378 recommendations, of which 2,594 were organizational measures, 28 legal framework improvements, 1,059 disciplinary/administrative measures, 184 measures involving economic damage, and 513 measures addressing irregularities with negative financial impact. These measures aim not only to correct deficiencies and establish accountability, but above all, to prevent their recurrence.

In fulfillment of its legal obligation, ALSAI conducted verification audits on the implementation of recommendations issued. During 2024, 97 audits from 2023 were verified, and it was found that approximately 70% of the recommendations were fully, partially, or were in the process of being implemented. Although the level of acceptance is high (99%), in order to increase the level of implementation, ALSAI has continued to encourage institutions to ensure full execution.

As regards the key findings, for which the corresponding recommendations have been formulated and presented in the final audit reports—grouped by audit area—they are presented as follows:

Issues related to the audit of financial statements

The audits identified problems affecting the quality of financial reporting and compliance with accounting principles and standards, such as: misclassification of expenses and revenues (e.g., investment expenditures recorded as operational, or recognition of revenues outside the reporting period); lack of supporting documentation and weaknesses in internal controls. Incomplete registration of assets and lack of ownership documentation were also noted, particularly concerning immovable properties; absence of accounting entries, lack of property titles, and failure to depreciate assets. There have been recurring issues in asset handover and classification, increasing the risk of misappropriation of public property.



In several cases, the lack of harmonization between accounting systems and Treasury data has created uncertainty about the accuracy of financial statements.

Furthermore, breaches of accounting principles were observed in the recording of receivables and payables—recognition in periods differing from their occurrence—and incomplete or outdated registers (e.g., liabilities to suppliers and court decisions). In some municipalities, there are no records of arrears; interest on late payments is not calculated, and court-recognized obligations are not registered. For institutions with subordinate structures, a lack of consolidation among units was noted; delays in submitting financial statements; absence of interannual reconciliations; and exclusion of certain transactions.

In summary, the recurring phenomena in financial audits—such as misclassification, non-registration of assets, late reporting, and lack of reconciliations—demonstrate the need for further improvements in public financial management systems.

Issues related to the compliance of public institutions activities

Compliance and combined audits highlighted non-compliance with the legal and regulatory framework in procurement, fiscal reporting, and contract implementation. A lack of budgetary discipline was found at all stages: planning, approval, execution, and reporting. There were reallocations of funds toward projects without full evaluation, inefficient use of funds, and deficiencies in budget planning (incomplete requests, additional requests above ceilings).

Legal deadlines for registering procurement orders, contracts, and invoice liquidation in SIFQ were violated, a phenomenon widespread especially at the local level but also present at the central level and in public companies. In PPP/concessions, violations of financing criteria, deficiencies in monitoring and evaluating long-term effects were found; payments were made for incomplete services or services performed in lower volumes, including cases in healthcare with budget overruns and liquidations contrary to contract content, including VAT.

From audits on the regularity of public revenue administration institutions' activities, customs audits revealed violations in tariff classification, customs valuation, and calculation of obligations: from the improper treatment of imported goods prices and selective use of the transaction value method, to product misclassification and tax avoidance. Regarding the regularity of tax inspections, as a tool for monitoring and enforcing fiscal legality, incomplete implementation of the annual inspection plan was found, as well as problems in conducted inspections, especially in risk-based selection, documentation of procedures, and corresponding conclusions.

At the local level, mismatches were found between reported and actually collected revenues; lack of reconciliation with the Treasury and payment registers; use of revenues outside legal destinations; insufficient management of public assets.

Continues

In institutions administering collateral and non-performing loans, such as the Agency for the Treatment of Credits, lack of documentation, non-registration of confiscated assets, and inability to identify/evaluate them were found; incomplete data systems and lack of legal follow-up against debtors.

In some combined audits, problems were found with recording overdue liabilities, which were reported fragmentarily or inaccurately in financial statements, reflected in subsequent periods and affecting real budget planning.

Audits conducted during 2024 found issues in procurement, widespread in central and local administration institutions, universities, hospitals, and public enterprises. They are mainly related to ineffective procurement planning, limited competition, irregularities in contract drafting and execution, and lack of internal control. Meanwhile, delays in contract execution, lack of penalty application, payments for incomplete or partially executed works were noted. Structures responsible for technical supervision and contract administration are often missing in audited entities or do not function properly.

In human resource administration, unfair dismissals, lack of supporting documentation, and violations of the Labor Code and specific civil service laws were identified, causing additional budgetary costs. Overlapping functions and lack of clear division of responsibilities were observed.

Another systemic problem is the lack of capacity and effectiveness of internal audit units. In some institutions, especially at the local level, internal audit units are not functional, reports are formal or not risk-based. Audit units have not exercised their full functions during the year. Overall, combined audits showed that compliance issues and financial statement issues are often intertwined and mutually affect inaccuracies in reporting, lack of transparency, and mismanagement of assets, liabilities, and budgetary funds available to institutions. The findings again demonstrate the need to increase institutional capacities, strengthen the internal control system, enhance accountability, and evaluate existing oversight and monitoring mechanisms.

Regarding performance audits, during 2024, ALSAI conducted 15 performance audits on the effectiveness, economy, and efficiency of public institutions in fulfilling their tasks and functions, in areas with public sensitivity, such as: healthcare, education, culture, gender equality, environment, and public services.

In healthcare, issues were found in the management of medical equipment, especially due to the lack of biomedical engineers in hospitals such as QSUNT and the Trauma Hospital, causing dependency on external services, high costs, and unsafe resource management. Also, the distribution of equipment does not match the population's real needs. Care for patients with mental health issues remains insufficient, with a lack of a comprehensive approach for their treatment, while psychiatric hospitals face serious shortages in accommodation and services.

In the environment sector, urban and hospital waste management presents serious problems, especially in municipalities like Durrës and Vlorë, where lack of infrastructure and safe practices endangers public health and pollutes the environment. Climate change remains a major challenge, against which institutional commitment is still limited, with lack of funds, concrete plans, and implementation capacities.

In the social and gender equality field, adoption procedures are complicated and often do not guarantee the best interest of the child. Meanwhile, women in rural areas face lack of access to basic services, hindering their economic and social empowerment.

In education and culture, in the management of the Excellence Fund, overlapping competences between responsible institutions were found, causing lack of coordination and transparency in its administration. Also, career guidance for youth in pre-university education is another aspect where the lack of sustainable and functional mechanisms has made the process ineffective.

In culture, Albanian cultural heritage listed by UNESCO, such as Berat and Gjirokastër, faces lack of management plans and funds, threatening their physical condition and international status.

In public space management, public beaches do not meet basic safety and accessibility standards. The increase in contracted areas has not been reflected in revenues and sustainable investments, significantly limiting citizens' benefits from these public spaces.

Overall, performance audits conducted during 2024 have shown that the orientation of public institutions towards results and the measurement of the impact of programs or policies are not yet consolidated as management practices. Weaknesses in inter-institutional coordination, planning, monitoring and use of resources indicate a lack of efficiency and effectiveness in the implementation of public programs / policies / strategies, affecting the quality of services provided and the level of citizens' trust in public administration.

In 8 information technology audits with a focus on security, functionality, integrity, and efficiency of public systems, the following were identified: lack of policies and procedures for IT management and access controls; insufficient documentation for the management of critical privileges and roles; lack of human capacities and training in cybersecurity and systems management; lack of end-user training and certifications for IT staff; weaknesses in data administration and security, as well as in backup retention; lack of transparency and uncertainty in the administration system of e-Traffic Fines and in the license system of the National Coast Agency; lack of technical controls, testing, and documentation in source code changes; systems accepting inaccurate data due to lack of input control mechanisms (e.g., the economic assistance system, the mining licenses system); obsolete equipment and lack of investment in infrastructure, especially in local institutions.

In conclusion, the findings reflect deficiencies in IT infrastructure that compromise the sustainability and reliability of digital public services.

Within the framework of legal obligations and cooperation agreements with justice institutions, during the year 2024, the ALSAI has sent 13 criminal reports, which include cases where the audit revealed actions or omissions in violation of the Penal Code. In addition to the reports, the ALSAI has forwarded, at the request of law enforcement bodies, 35 other informative materials on matters requiring further investigations.

An important component of the ALSAI's work is handling complaints, denunciations, and requests from citizens, organizations, and various institutions, which are reviewed promptly, professionally, and with the appropriate seriousness. ALSAI considers these notifications as a valuable source of information for strengthening transparency and public accountability.

Furthermore, close cooperation with public institutions and the media plays an important role in identifying public-interest issues, which are then evaluated as potential priorities for inclusion in the audit program.

In addition to its main audit mission, during 2024, ALSAI continued with dedication to implementing supporting functions for capacity building, public communication, and cooperation with the Parliament of Albania, internal institutions, and international audit organizations, in accordance with the Institutional Development Strategy 2023–2027.

The year 2024 marked another stable step in the path of the Albanian Supreme Audit Institution as a guarantor of accountability, transparency, and integrity in the management of public funds. ALSAI carried out extensive audit activities at all levels of administration, ensuring comprehensive coverage and confirming its role as an independent institution serving the public interest.

With unwavering dedication to its mission, we continue to increase communication with citizens through impartial evaluation and professional judgment. In times of challenges and transformations, we are aware of the responsibility and role that the ALSAI plays in strengthening control and prevention mechanisms.

The future requires greater commitment to fulfilling institutional obligations. On this path, we are determined to improve governance and increase the quality of service to citizens.

With a clear vision for the future, we will accelerate the digitization process, strengthen the preventive role of audits, and increase impact through recommendations that go beyond findings: providing solutions, encouraging reflection, and supporting reforms.

ALSAI remains an independent and reliable voice, always in the service of the public and general interest. We are determined to enforce the law and contribute to improving internal financial and managerial control systems, strengthening good governance mechanisms, and increasing institutional accountability, in order to have a more transparent, efficient administration serving citizens.

Thank you!



Thematic Audit “On the Availability of Medicines for the Treatment of Tumor Diseases”

ALSAI has conducted a thematic audit “On the availability of medicines for the treatment of tumor diseases”, which included the Ministry of Health and Social Protection (MoHS), the “Mother Teresa” University Hospital Center (MTHC), the Compulsory Health Care Insurance Fund (CHCIF) and the National Agency for Medicines and Medical Devices (NAMMD).

The audit revealed that the institutions included in the audit have not fully exhausted the actions taken in the framework of ensuring the availability of medicines used in the treatment of tumor diseases, especially within the framework of control and supervision mechanisms and inter-institutional cooperation.

The main findings of the audit are presented as follows:

- From the review of 25 cases of approval of marketing authorization for antitumor drugs, it was found that the current procedure provided for in Article 12 of Law No. 105/2014 “On medicines and pharmaceutical services”, as amended, is long and inefficient. Delays hinder rapid institutional response in situations where urgent decision-making is required, especially for antitumor drugs.
- The audit results that a significant part of the clinical practice protocols at the “Mother Teresa” University Hospital Center date from 2014, with a lack of systematic updates during this period, potentially negatively affecting the quality of patient treatment.
- From the verifications carried out on 28.02.2025 at the Central Pharmacy and on 13.03.2025 at the Pharmaceutical Blocks, within the framework of the physical inventory control and comparison with the data in the system for drugs used in the treatment of tumor diseases, it was found that for the drug Doxorubicin 50 mg (2mg/ml) - vial, although the physical quantity resulted in accordance with the records in the system, the expiration date noted in the system did not match the one physically verified due to non-compliance with the FIFO principle.
- From the audit carried out in the Caps Sector at the “Mother Teresa” University Hospital Center, it was found that this sector has only manual equipment and not specialized and automated equipment for the preparation, dosing and precise mixing of cytostatic drugs. Furthermore, the technical equipment of the sector has not been maintained or calibrated since the moment of their entry into the inventory.
- From the tests carried out on the sampled drugs: Erlotinib, Carboplatin, Ifosfamide, Mesna, Trastuzumab Biosimilar or Originator, Trastuzumab Emtasine, Methotrexate, Daratumumab, Cisplatin, Etoposide, Vincristine Sulphate, Irinotecan Hydrochloride Trihydrate, Gemcitabine, Doxorubicin and Cetuximab, cases with a quantity discharged lower than the quantity required by the Services at QSU “Mother Teresa” have been identified. The tests resulted in duplicate prescriptions during the day, lack of complete and accurate records, incorrect discharges of drugs to other patients, lack of drugs based on the ratio of the requested quantity-discharged quantity, repeated and unfulfilled requests more than once for the same patient, periods with a progressive state in the drug system, while the inventory of the date results in zero (difference in the quantity of the progressive state - system inventory), etc.
- From the tests carried out on the sampled drugs: Erlotinib, Carboplatin, Ifosfamide, Mesna, Trastuzumab Biosimilar or Originator, Trastuzumab Emtasine, Methotrexate, Daratumumab, Cisplatin, Etoposide, Vincristine Sulphate, Irinotecan Hydrochloride Trihydrate, Gemcitabine and Doxorubicin, cases of periods with progressive status have been identified in the electronic system “Pentaho”, while the inventory of the date results in zero (difference in the amount of progressive status - system inventory). These differences, despite being argued as artificial by QSUNT, have the risk of incorrect presentation of data for system users. Regarding the drug Actinomycin D, from the verifications in the system for the period 2022-2025, the status is shown as 0 (zero) and no requests are submitted for this drug. However, despite this, in 5 of the analytically analyzed prescriptions where the drug Mesna was requested, it turns out that the drug Actinomycin D was also requested, leading to a discrepancy between analytical and synthetic requirements in the system.
- It is evident that 19 vials of Ifosfamide 1 g and 602 vials of Methotrexate in two dosage forms: solution for injection and infusion x 500 mg (in 10 ml or 20 ml) with 372 vials and injection and infusion x 50 mg / 2 ml with 230 vials, despite having expired, are still in the “Pentaho” system, posing a risk of maintaining expired stocks by artificially increasing the state of drugs in the system.
- From the audit of the measures taken to secure the drug Daratumumab 400 mg (which is considered without substitutes), even though the 2025 contract for the drug in the total quantity of 4000 vials was renewed, deficiencies in planning, cooperation and determination of the terms of the contract have again been identified, along with weak control mechanisms, affecting periods not covered by medications.
- From the audit of budget expenditures for the purchase of goods and services, for the program “Secondary Hospital Care Service” based on the reviewed documentation and official correspondence of the institutions themselves, the budget allocated to the health sector (respectively for drugs) results to be underfunded, which brings the risk of a shortage of drugs, and consequently, and the continuation of therapy in accordance with disease treatment protocols.
- From the cross-checking of data between tripartite contracts and the LRM for the year 2024, it was found that for 39 antitumor drugs, contracts between CHCIF and pharmaceutical importers are missing. As a result, these drugs have not been provided for use in the public health system.
- From the cross-checking of data between tripartite contracts and the LRM for the year 2024, it was found that for 39 antitumor drugs, contracts between CHCIF and pharmaceutical importers are missing. As a result, these drugs have not been provided for use in the public health system.
- No inspections were carried out by the Inspection Sector of the NAMMD during the period 2022-2024 in the closed network (hospital) pharmacies.
- The audit found that the Control Laboratory at the NAMMD did not conduct laboratory analyses for antitumor drugs submitted for marketing authorization during the years 2021, 2023 and 2024, except for 8 analyses recorded in 2023.
- From the data made available by the Distribution Sector on the import of drugs, it resulted that out of 253 antitumor drugs authorized for marketing in the Republic of Albania, 116 of them or 46%, were never imported during the audit period, January 2021 - March 2025.
- The audit conducted on the management and availability of the drug Actinomycin D 0.5 mg at the University Hospital Center “Mother Teresa”, which does not result in having a contract or marketing authorization, evidenced the lack of measures taken to secure the drug Actinomycin D and similar drugs, which makes it impossible to treat patients, violating the principle of protecting the public interest and the right to health care based on the Constitution of the Republic of Albania, Article 55.
- For the period under audit, the drug Actinomycin D 0.5 mg was secured through donation. In the conditions where no record was recorded for the receipt of the drug, it was impossible to physically verify the remaining quantity of the drug since no entry was made in the inventory.
- From the audit regarding the drug Pertuzumab + Trastuzumab in the dosage forms 1200 mg + 600 mg – 15 ml and 600 mg + 600 mg – 10 ml, cases are identified when the situation has been 0 for periods longer than 1 week, or a low amount is presented unchanged for at least one week before the supply, indicating drug shortages or minimally low amounts that risk the treatment of patients. Referring to the tests carried out, also in the case of the drug Phesgo in both dosage forms, cases of duplicate prescriptions and confusion between patients have been identified. Also, cases of use/discharge of the drug Trastuzumab (Herceptin) have been identified in cases where Pertuzumab + Trastuzumab (Phesgo) was requested in the prescription. It turns out that there is no clear definition/division in the official breast cancer treatment protocol regarding the degree of effectiveness of one drug compared to the other, however in letter no. 900/7 prot., dated 15.06.2023. Sent by the Oncology PAI to the Pharmaceutical Service, the effectiveness of this drug compared to other medications is cited.
- From the audit on the measures taken by the responsible structures of CHCIF, it was found that in 49 cases of delays in the supply of antitumor drugs by pharmaceutical importers, unjustified by accompanying documentation, the Control Directorate has taken measures in only two cases. The Pharmaceutical Warehouse Control Sector has not implemented a regular and functional monitoring mechanism, acting selectively and outside an approved control plan. For the audited cases, the penalties that should have been applied are of a total value of 49,000,000 ALL for 49 entities.



Performance Audit: “Quality and Certification of Drinking Water Marketed to Citizens”



The Albanian Supreme Audit Institution (ALSAI) has conducted a performance audit on the topic of “Quality and certification of drinking water marketed to citizens”, which was conducted for the period from 01.01.2020 to 31.12.2024.

The main objective of the audit “Quality and certification of drinking water marketed to citizens” was to assess the activities of the responsible institutions and their effectiveness in ensuring the quality of water marketed to citizens. In this way, it was intended to ensure an impartial and objective assessment by identifying shortcomings, the degree of implementation of standards and proposing corrective measures to improve processes with the aim of protecting consumers.

The regulatory framework for granting permits for packaging is based on the criterion of the number of bottles processed per hour, and does not include the use of autobots/bots or other containers that are not considered standard packaging. In the Shkumbin and Seman water basins, four cases of approved permits for groundwater for packaging (with bots) are identified. Forms for drinking groundwater for packaging were used for applications in these cases. The trade of drinking water by autobots/bots is not provided for in the regulation on water quality, which clearly defines its use only in cases of emergency, or in some situations when this method of supply is the only valid option. The process of trading but also transportation by autobots/bots takes place outside the supervision of the bodies that guarantee health and food safety. This is because Local Health Care Units (LHUs) do not conduct field inspections/monitoring of packaged drinking water, while the National Food Authority (NFA) conducts inspections through a predefined process on the premises of commercial entities. Under these conditions, the continuation of this type of activity poses a risk to product quality and consumer safety.

During the period 2021-2024, the NFA has handled cases of packaged drinking water that have resulted non-compliant for microbiological or organo-sensory indicators, but their follow-up has been fragmented, inconsistent and with procedural deficiencies. In 2021 and 2022, in two identified cases, respectively in Regional NFA Elbasan and Durrës, although measures were taken to block the product and impose fines, the AKU did not conduct a traceability analysis to identify the cause of the contamination and did not cooperate with the laboratory for reanalysis, acting partially and without exhausting all stages. In 2024, in the case identified in Regional NFA Tirana, for the uncharacteristic odour in the water, although several measures were carried out on the ground and quantities of the product were returned, no risk analysis was undertaken, no punitive measures were imposed, and the subject was not directed for corrective actions. Compared to other cases treated more strictly, this situation indicates unequal treatment of subjects, lack of transparency and weaknesses in official control mechanisms, significantly reducing trust in institutional consumer protection.

The NFA, LHU and IHP laboratories are not certified/accredited

According to the regulation on drinking water, laboratories that perform analyses must use methods according to the international ISO standard and, consequently, must have accredited laboratories. From the questionnaires/interviews conducted during the audit, it results that none of the relevant public institutions that perform analyses of drinking water quality, including the NFA, an institution under the Ministry of Agriculture and Rural Development, the LHU and the IHP, under the Ministry of Health and Social Protection, currently have accredited laboratories for all parameters specified in the legislation in force. According to the data and interviews conducted at the General Directorate of the NFA, it results that the NFA, during the period 2020-2024, has not carried out microbiological analyses of bottled drinking water in its regional laboratories. This is because the NFA laboratories do not have laboratory capacities to carry out microbiological analyses of bottled drinking water.

The drinking water regulation and the orders for mineral water provide for the analysis of pesticide residues, some heavy metals and pharmacological substances.

From the data obtained from the General Directorate of the National Food Authority on the implementation of laboratory analyses for packaged drinking water, for the period 2020–2024, it results that the content of the analyses performed is mainly limited to some basic chemical-physical indicators, such as: hardness, bicarbonates, calcium, magnesium and dry matter, while the Food Law, the Council of Ministers in force for drinking water and the special orders for mineral water, determine the obligation to analyze indicators, such as: heavy metals, pesticides, arsenic, fluorine, manganese and others. This shows that the current analyses do not meet the full legal standard.

European Directive (EU) 2020/2184 determines the analysis of about 51 analytical indicators for the quality of bottled drinking water, VKM no. 379/2016 provides for 48 indicators, the mineral water orders determine about 23 analytical indicators of bottled drinking water. The capacities of the IHP cover with analysis 43 out of 51 indicators required by Directive (EU) 2020/2184. The IHPs perform analysis for about 13 indicators, mainly microbiological and physico-chemical, while the NFA performs analysis for only 9 basic physico-chemical indicators. Currently, the NFA and the IHPs do not have the necessary laboratory capacities to perform analyses for heavy metals and pesticides. It is evident that the IHP capacities have not been used by institutions that have lacked capacities for full laboratory supervision of the quality of bottled water. This institution has conducted a considerable number of water sample analyses at the request of the subjects themselves and, in a few cases, addressed by state institutions, the National Agency for Water Resources or the Water Quality Control Units.

Audit message:

Main question: Does the established system ensure the quality of drinking water that is marketed to citizens?

The established system has not managed to guarantee the citizen the quality of bottled drinking water that is put on the market. Although the consumption of this product has increased continuously every year, the responsible institutions have not managed to fully fulfill their obligations regarding its control, monitoring and analysis. Changes in competencies in state structures have created uncertainty in their roles and responsibilities and have affected the fragmented functioning of the system. The legal and regulatory framework appears unharmonized and in some cases contradictory, does not allow competition between projects for the use of water resources and has weak criteria for granting permits and licenses. On the other hand, the shortcomings of the institutions in terms of laboratory analysis, inter-institutional interactions and public information have not guaranteed the quality of bottled water and the necessary safety for the citizen.

The Chairman of ALSAI holds a meeting with representatives of the Special Anti-Corruption Unit of the Guardia di Finanza

On 29.10.2025, the Chairman of the Albanian Supreme Audit Office, Mr. Arben Shehu, held a meeting with General B. Giovanni Salerno, Commander of the Special Anti-Corruption Unit of the Guardia di Finanza and responsible for ensuring legality in public administration, as well as Colonel Giampiero Carrieri, Guardia di Finanza expert for Albania, Kosovo and Montenegro, at the Italian Embassy in Tirana. During the meeting, Mr. Shehu expressed his gratitude for the visit and also emphasized his utmost appreciation for the Italian institutions and the support they have provided to the Albanian institutions. In particular, he emphasized the added value of the cooperation between the Guardia di Finanza and ALSAI. For their part, the representatives of the Guardia di Finanza, appreciated the work that the SAI is developing in terms of identifying irregularities in the administration and management of the state budget, in particular in the field of public procurement and economic damage, and expressed the desire that the already very good relations of cooperation can progress even further. Institutionally, the willingness to organize and develop mutual activities was expressed, with the aim of exchanging methodologies and best experiences between the Guardia di Finanza and the Supreme State Audit Office.



Emphasizing once again his assessments of this special anti-corruption unit in the field of preventing this phenomenon, particularly in the context of public procurement, Mr. Shehu expressed his full willingness and commitment to continue this joint initiative by benefiting from the best Italian expertise in areas of special interest.

Conference "Integrity, Transparency and Innovation in Public Procurement", ALSAI shares experience in the field of public procurement

On October 24, 2025, an international conference on "Integrity, Transparency and Innovation in Public Procurement" was held in Lecce, Italy, where the Italian model and a comparison with the Albanian system were presented.

This conference was held within the framework of the project "A.C.T. - Against Corruption in Tenders", funded by the Interreg IPA South Adriatic Program.

The project aims to strengthen cooperation between Italy and Albania, to prevent corruption and guarantee transparency in public procurement, through the creation of joint tools, training of officials and the dissemination of good administrative and legal practices.

At this event, the ALSAI was represented by auditors Delor Prosi and Klaidi Tefik, who presented the material on the topic "The role of the ALSAI in strengthening integrity and oversight in public procurement". In the presentation, the ALSAI auditors provided an overview of the ALSAI's institutional activity in the field of public procurement. The auditors referred to how the digitalization of public procurement through the "Electronic Procurement System" has enabled the generation, storage and analysis of data, to identify risk and materiality elements, as well as "red flags", to be considered in the annual planning of the ALSAI's audit activity or in other specific audits.

Further, the auditors provided an overview of the main issues identified during the audit of public procurement procedures, including irregularities found in the drafting and justification of technical specifications and qualification criteria, the review and evaluation of bids, as well as the monitoring and implementation of contracts.



Among other things, the continuous cooperation of the ALSAI with other institutions was emphasized, such as: the Special Anti-Corruption Prosecutor's Office, prosecutors' offices of general jurisdiction, etc. Participation in this activity once again demonstrates the commitment of the Albanian Supreme Audit Institution to cooperate with local and international public bodies, to promote integrity and accountability in the management of public funds.

Activities for planning the 2026 Audit Program begin, ALSAI holds a meeting with students and lecturers at the "Fan Noli" University in Korça

As part of the activities for planning the "Audit Program for 2026", the ALSAI held an open meeting with students and lecturers at the "Fan Noli" University, Korçë, on 31.10.2025.

The meeting was attended by the Chairman of the ALSAI, Mr. Arben Shehu, the Secretary General Ms. Valbona Gaxha, auditors from the Department of Audit of Security Institutions, Public Companies and Foreign Investments, the rector of the University, Prof. Dr. Lorenc Ekonomi and former MP Enslemvera Zake.

The meeting focused on the role of the highest public audit institution in the country, the importance of cooperation with universities, citizens and transparency in communication with the public.

Mr. Shehu appreciated the importance of cooperation with universities and citizens in general. The Chairman of the ALSAI focused on the close relationship that the institution has with the needs and problems of society, emphasizing that only through open dialogue and direct listening to the voice of citizens can the effectiveness of public audits be increased.

"We have a special institutional obligation to be in constant communication with the citizens, with all the administrative units of Albania, but with Korça we have a very special obligation. The history of Korça is connected to the foundations of the Albanian state formation, the history of Korça is connected to the Albanian letters, to the language, to the culture, to the sacrifices of all those people who gave everything they had in their lives to give a worthy path to Albanians and the Albanian state. It is understood that institutional obligations are related to the needs and problems of society, and the best acquisition of knowledge about all these needs can be done through the findings of citizens.", - stated the Chairman of the ALSAI.



Mr. Shehu assessed that the university is an important partner in strengthening transparency and civic education.

At the meeting, a conversation was held with students and lecturers regarding the audit process and the continuation of cooperation with higher education institutions. In his speech, the rector, Prof. Dr. Lorenc Ekonomi, welcomed the meeting, appreciating the cooperation with the ALSAI, and in particular, he described such initiatives as very important for young people, who receive even more extensive knowledge in the field of financial control, accounting, auditing, etc.

This activity is part of the meeting plan that the ALSAI continuously holds in various public universities in the country with the aim of promoting the role of the institution and strengthening communication with interest groups.



Towards innovation and high standards in public auditing, the ALSAI is represented at the INCOSAI XXV Congress



The Albanian Supreme Audit Institution participated in the proceedings of the 25th Congress of the International Organization of Supreme Audit Institutions (INTOSAI), which took place on 27-31 October in Sharm El-Sheikh, Egypt. The INCOSAI XXV Congress was organized in a global context characterized by profound transformations, accelerated technological developments, and economic and financial challenges with a direct impact on the fulfillment of the United Nations "2030 Agenda" for Sustainable Development.

INCOSAI XXV served as an important platform for dialogue, reflection, innovation and cooperation among INTOSAI members. Participants, including the ALSAI, shared their vision and commitment to strengthen the role of supreme audit institutions in facing new global challenges, promoting professionalism, independence, transparency and accountability. At the end of the proceedings, INTOSAI members adopted a common strategic vision aimed at increasing the impact of public audit on the development of governance and strengthening citizens' trust in institutions. Emphasis was placed on the need to preserve and strengthen the independence of supreme audit institutions, through the creation of a legal environment that recognizes and protects this independence. In this context, the launch of the Global Project on the Independence of Supreme Audit Institutions (SAI), which aims to strengthen trust in public institutions, was appreciated.

The Congress focused on two technical topics of particular importance. The first topic addressed the role of SAIs in auditing central banks during financial and economic crises. Discussions focused on how auditing can ensure sustainability, transparency and accountability in the management of public funds, highlighting the importance of clearly defining legal mandates for auditing central banks, strengthening coordination with financial supervision institutions and developing crisis-proof frameworks. The second topic focused on the use of artificial intelligence (AI) in auditing, considering it as a tool to increase the efficiency and accuracy of audit work, improve the quality of findings and identify deviations more quickly.

Participants emphasized that the use of artificial intelligence should be based on ethical principles, a responsible approach and under a clear governance framework that guarantees data security and prevents algorithmic bias. The importance of combining the efficiency of technology with the professional experience of the auditor and the need for capacity development and international cooperation in this area were highlighted.

During the plenary sessions of the Congress, reports of the governing bodies and standing committees of INTOSAI were presented, including the report of the INTOSAI President (Egypt), the Oversight Committee for Emergency Matters (Brazil), the Secretary General (Austria), the Policy, Finance and Administration Committee (PFAC) (Saudi Arabia), the INTOSAI Donor Cooperation Committee (Saudi Arabia), the Professional Standards Committee (European Court of Auditors), the Capacity Building Committee (South Africa) and the Knowledge Sharing Committee (Spain).

Regional organizations also presented their reports: AFROSAI, ASOSAI, CAROSAI, OLACEFS, ARABOSAI, EUROSAI and PASAI, sharing their experiences and achievements in the implementation of the organization's common objectives.

As part of the election process of the Congress, the new governing bodies of INTOSAI, members of the Governing Board and the organization's external auditors were elected. INTOSAI members adopted the Sharm El-Sheikh Declaration, which sets out the joint commitment of the global audit community to build stronger, more independent and more sustainable supreme audit institutions, capable of responding to the challenges of the future. The Declaration underlines the importance of international cooperation, innovation in auditing and the use of advanced technologies to strengthen transparency, accountability and the impact of public audit on sustainable development.

The closing ceremony of the Congress was characterized by the awarding of international awards for outstanding contributions in the field of public auditing, including the INTOSAI Future Award, the Elmar B. Staats Award, the Kimi Makwetu Award and the Young Leaders of Supreme Audit Institutions Award.

At the end of the proceedings, it was confirmed that the XXVI INCOSAI Congress will be held in Indonesia, while the XXVII Congress will be organized by the Kingdom of Saudi Arabia.

During the Congress activities, representatives of the SAI, the Director of the Department of Quality Assurance and Standards Implementation, Ms. Joniada Goçaj, the Director of the Department of Performance Auditing, Mr. Aulent Guri and the Director of Communication and International Relations, Ms. Xhesila Nano, held a series of meetings with representatives of other SAIs.



ALSAI participates in the meeting with the President of the General Court of Audit of the Kingdom of Saudi Arabia

During the accompanying activities of the INCOSAI XXV Congress, representatives of the Albanian SAI, namely, the Director of the Department of Quality Assurance and Standards Implementation, Ms. Joniada Goçaj, the Director of the Department of Performance Auditing, Mr. Aulent Guri, and the Director of Communication and International Relations, Ms. Xhesila Nano, participated in the meeting of beneficiary institutions of the Saudi Fund for Improving the Performance of SAIs (FISP), organized by the General Court of Audit of the Kingdom of Saudi Arabia and the INTOSAI Development Initiative (IDI).

At this meeting, the results achieved and the impact of the fund on increasing institutional performance were presented. The ALSAI representatives expressed their appreciation for the support provided through this fund, which has contributed to the improvement of daily audit work and beyond.

At the end of the general session, the ALSAI representatives had a special meeting with the President of the General Court of Audit of the Kingdom of Saudi Arabia, Dr. Hussam Alangari, where on behalf of the Chairman of the ALSAI, Mr. Arben Shehu, they expressed their appreciation for the strengthening of bilateral relations and the concretization of institutional cooperation. Mr. Alangari expressed his readiness to continue and strengthen these relations through mutual contribution.



SHARM EL-SHEIKH DECLARATION



The Sharm El-Sheikh Declaration represents the joint commitment of Supreme Audit Institutions (SAIs) to strengthen the independence, professionalism and impact of public audit globally. The Declaration emphasizes the importance of innovation in auditing, enhancing professional competence and using advanced technologies, including artificial intelligence, in an ethical and responsible manner. It also highlights the role of SAIs in addressing financial and economic crises, promoting transparency and accountability, and contributing to the achievement of the 2030 Sustainable Development Goals.

The Declaration summarizes the perspectives, achievements and most important strategic recommendations of INCOSAI XXV, along with setting a vision that enhances the spirit of innovation and professionalism, as well as the global impact of Supreme Audit Institutions.

In the Sharm El-Sheikh Declaration, INTOSAI members concluded with recommendations that include:

- (1) Enhancing the independence of SAIs.
- (2) Ensuring that any mandates relating to central bank audits are appropriate and clearly defined in legislation, to support SAIs to effectively audit the relevant activities of central banks.
- (3) Developing a resilient audit framework in crisis situations.
- (4) Strengthening coordination with financial supervisory institutions.
- (5) Adopting a proactive approach to crisis anticipation and prevention.
- (6) Promoting efficient audits in crisis situations.

REGIONAL CONFERENCE

“Audit Quality Management System”



In the framework of the celebration of the 25th anniversary of the establishment of the institution, the Audit Office of the Institutions of Bosnia and Herzegovina organized on 8-9 October 2025, the regional conference on "Audit Quality Management System". The focus of the activity was the exchange of experiences, strengthening cooperation between supreme audit institutions and addressing current challenges in the Audit Quality Management System in the public sector.

This activity was attended by representatives from supreme audit institutions of Sweden, Poland, Croatia, Turkey, Kosovo, North Macedonia, Georgia, Montenegro, Moldova, Serbia, Bulgaria and Albania, as well as representatives from international organizations, such as SIGMA/OECD.

The conference aimed to exchange experiences on the implementation of quality management systems in auditing; discuss challenges and best practices in ensuring the quality of audit work, as well as strengthen the institutional capacities of SAIs in accordance with ISSAI 140, revised.

During the conference, participants shared their experiences, opinions and best strategies in implementing quality management standards according to the International Standards of Supreme Audit Institutions ISSAI 140.

The participation of the ALSAI in this conference marks an important step in strengthening regional cooperation and knowledge exchange.

WORKSHOP



Self-assessment of institutional integrity according to IntoSAINT

The ALSAI participated in the workshop on the training of moderators for the IntoSAINT integrity self-assessment tool, held in Bucharest, Romania, from 7 to 10 October 2025.

This training brought together 22 representatives from 12 EUROSAI member states, where the SAI was represented by Ms. Ermira Hoxha, Director of Human Resources and Ms. Xhesila Nano, Director of Communication and External Relations, in an intensive program with a special focus on strengthening capacities for moderating the institutional integrity self-assessment according to the IntoSAINT methodology.








The activity was welcomed by Mr. Matanyahu Englman, President of EUROSAI and Ms. Mirela Călugăreanu, President of the Court of Accounts of Romania.

The training was the first in the updated and digitalized format of IntoSAINT and was led by three experienced trainers from the Supreme Audit Institutions of Norway and the Netherlands.

Following the training, participants will follow a further phase of qualification, through the acquisition of the "Questback" platform, which is essential to be certified and able to independently lead the IntoSAINT self-assessment processes. As an active participant in such international initiatives, the ALSAI continues to strengthen its commitment to supporting ethics and integrity in the institution by following best practices and developing internal capacities to ensure the implementation of good governance standards.

Thank you for reading!

© All rights reserved by ALSAI

 	<p>www.klsh.org.al</p> <p>E-mail: klsh@klsh.org.al info@klsh.org.al</p>	  	<p>Kontrolli i Lartë i Shtetit</p> <p>klsh_org_al (KLSH) Albanian Supreme Audit Institution</p>
	<p>“Abdi Toptani” Street No. 1 Tirana</p>		<p>Public reception hours: Monday – Thursday: 08:00 – 16:30 Friday: 08:00 – 14:00</p>