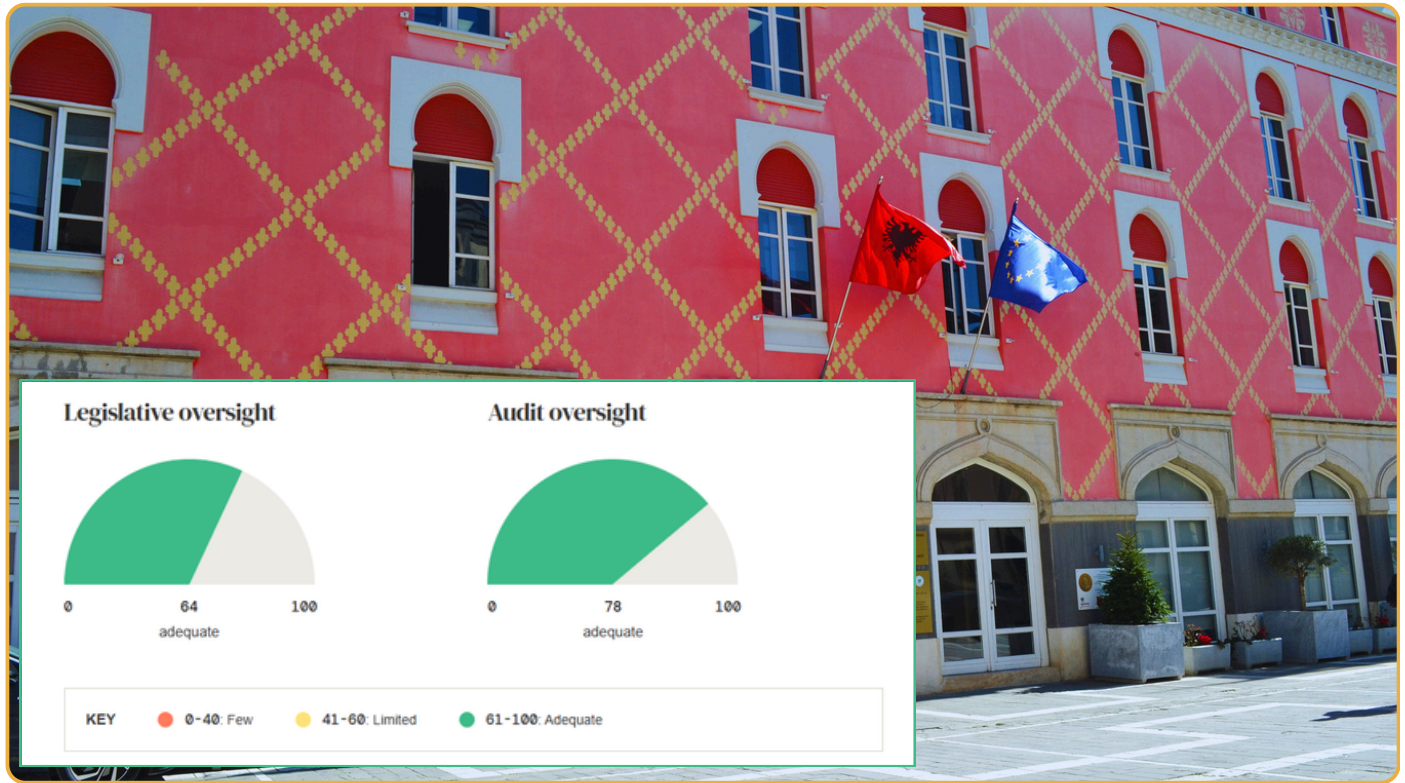




Monthly newsletter

March 2026



Open Budget Survey (OBS) 2025: Albania’s Supreme Audit Institution Ranked Among the Most Effective in the Region in Overseeing Public Finances

The International Budget Partnership (IBP) published in March 2026 the results of the “Open Budget Survey 2025” (OBS 2025) for the Western Balkans and Türkiye. The report, prepared with the support of the European Commission, assesses budget transparency, legislative oversight, independent auditing, and public participation across seven countries in the region: Albania, Bosnia and Herzegovina, Montenegro, Serbia, Kosovo, North Macedonia, and Turkey.

In the Open Budget Survey 2025, the Supreme Audit Institution of Albania is ranked among the top-performing institutions in the region for oversight of public finances, contributing to Albania achieving an above-average level of budget transparency and accountability. The survey analyzes the role of legislatures and supreme audit institutions in budget oversight, from budget approval to monitoring implementation and auditing financial accounts. According to the OBS 2025 results, Albania scored 64 out of 100 in budget transparency, reflecting improvements in the timely publication and comprehensiveness of budget documents.

In terms of budget oversight, Albania records an overall score of 69 points, positioning itself better than most neighboring countries, though not at the very top. The Supreme Audit Institution of Albania is the main public audit institution in the country and one of the key contributors to this strong oversight performance. Parliament is assessed with 64 points for its oversight mechanisms, while the Supreme Audit Institution of Albania scores 78 points, reflecting its relatively strong role in auditing public finances. One of the weaknesses identified in the report for Albania is the low level of public participation in the budget process, with only 17 out of 100 points, indicating the need for more space and effective mechanisms to involve citizens. At the regional level, the OBS 2025 notes that, despite progress in formal budgeting practices, challenges remain in strengthening accountability and in implementing audit recommendations-factors that directly affect public trust. The report emphasizes the importance of strengthening parliamentary oversight during budget execution, increasing transparency regarding in-year budget changes, and establishing more effective mechanisms for tracking and implementing audit recommendations.

The Chairman of the Supreme Audit Institution of Albania Holds a Working Meeting with the Auditor General of Kosovo, Mrs. Vlora Spanca

As part of the ongoing cooperation and joint audits between the two homologous audit institutions, on 3 March 2026, the Chairman of the Supreme Audit Institution of Albania, Mr. Arben Shehu, held a working meeting with the Auditor General of Kosovo, Vlora Spanca, at the premises of the National Audit Office of Kosovo.

Discussions during the meeting focused on the joint audits successfully carried out by both institutions, as well as on potential future audit topics, in cooperation not only between the two countries but also with other countries in the region.

During the meeting, the importance of further strengthening institutional capacities, exchanging professional experience, and sharing best practices in the field of public auditing was emphasized. Both parties appreciated the results achieved so far and expressed their commitment to deepening cooperation and implementing new projects of mutual interest.



Supreme Audit Institutions of EUROSAI Discuss Strengthening Cooperation in Prague



On 10 March 2026, the Supreme Audit Institution of Albania participated in the High-Level Conference on Inclusiveness, held in Prague.

The event brought together representatives of supreme audit institutions from across Europe to discuss ways of strengthening cooperation within EUROSAI.

Participants in the two-day conference (10–11 March) discussed how to enhance collaboration within EUROSAI for more effective auditing, identified relevant audit topics, and explored the use of Artificial Intelligence in audits. They also examined whether European auditors can rapidly identify emerging challenges and respond collectively through the sharing of information and knowledge.

The conference further addressed the challenges faced by audit institutions in European countries that are not members of the European Union.

“Before we change the way we cooperate, we must first understand who we are, our strengths, limitations, weaknesses, and our potential. The reason we are here today is to listen. Because cooperation is not built only through documents, but through dialogue,” said Miloslav Kala, President of the Supreme Audit Office of the Czech Republic, the host of the conference.



The participation of the Supreme Audit Institution of Albania in this conference demonstrated its institutional commitment not only to the exchange of experiences, but also to the enhancement and improvement of practices applied in audit and management processes.

EUROSAI brings together more than fifty supreme audit institutions from across Europe and is one of the leading international forums for cooperation in public sector auditing.



POPULATION AGEING

ALSAI CONDUCTS A PARALLEL AUDIT WITH FIVE COUNTERPART INSTITUTIONS

“Comprehensive government plans and budgetary aspects for an ageing population”

The Supreme Audit Institution of Albania, within the framework of cooperation with counterpart institutions, conducted a performance audit entitled “Comprehensive government plans and budgetary aspects for an ageing population.”

This audit is the result of ALSAI’s commitment, undertaken together with several counterpart institutions, to audit the phenomenon of population ageing, which has affected European countries and beyond.

In this parallel audit, led by the Office of the State Comptroller of Israel, the Supreme Audit Institutions of North Macedonia, Slovakia, Portugal, and Paraguay participated.

The main objective of the audit was to assess the policies, strategies, and plans of our country that address the issues, challenges, and problems related to population ageing for the period 2020–2025. The audit was conducted in institutions responsible for drafting, implementing, and monitoring national policies on population ageing, namely the Ministry of Finance, the Ministry of Health and Social Welfare, the Ministry of Economy and Innovation, the Institute of Statistics, and the State Social Service.

The population of Albania is facing a decline in natural growth rates, as a result of decreasing birth rates and high levels of emigration.

According to the 2023 Census, the resident population in Albania in September 2023 was 2,402,113 inhabitants, marking a decrease of around 420 thousand people compared to the 2011 Census.

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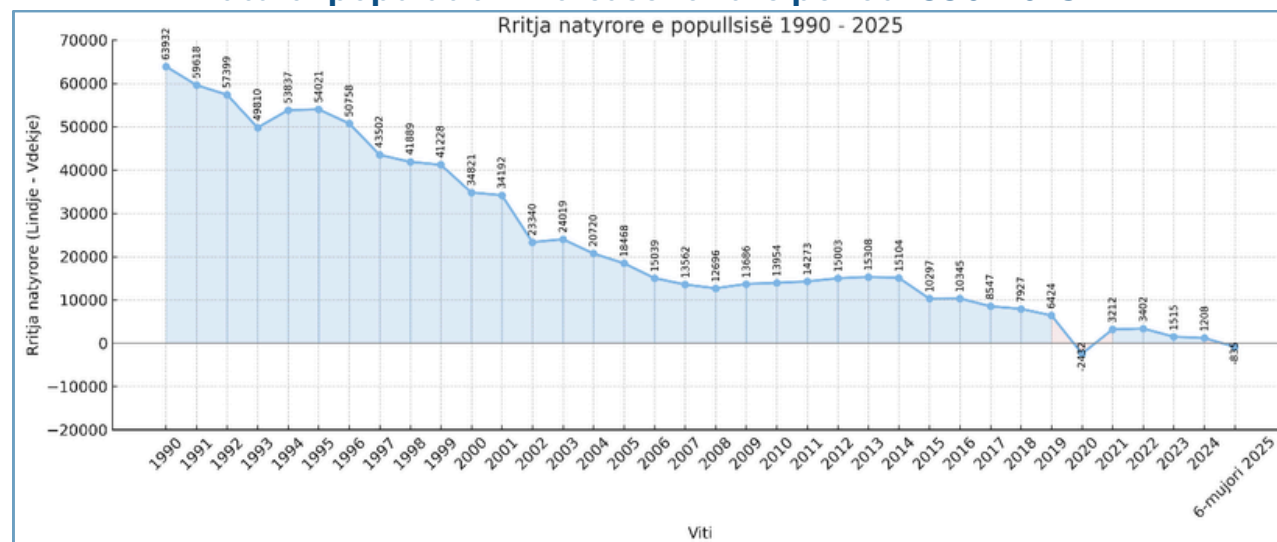
Meanwhile, according to data from INSTAT, Albania’s population in 2023 was 2,761,785 inhabitants, with a decrease of approximately 145 thousand people compared to 2011.

The data indicate that Albania is undergoing a profound demographic transformation, characterized by a continuous decline in birth rates, high emigration of young people of working age, increasing life expectancy, and a rising average age of the population.

Based on the 2023 Census data, the population in Albania is clearly experiencing an ageing process, with the proportion of individuals aged over 65 reaching 19.5% of the total, up from 12.4% in 2000. This percentage is expected to exceed 30% within the next 20 years, creating significant pressure on the healthcare system and social services. This shift reflects declining fertility rates and increasing life expectancy, which currently stands at 77.3 years for males and 81.2 years for females. Furthermore, INSTAT reports that the average age of Albanians has reached 42.1 years, reflecting a clear trend of population ageing.

In the last decade alone, the natural population increase has declined by approximately 88.3%, from 10,297 in 2015 to 1,208 in 2024.

Natural population increase for the period 1990–2025



“Comprehensive government plans and budgetary aspects for an ageing population”

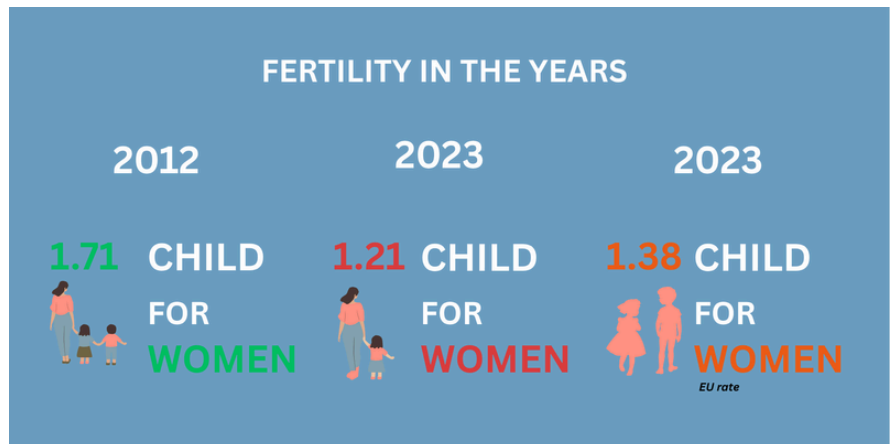
Mass emigration and declining fertility, according to the 2023 Census, are the main factors behind demographic shrinkage. During the period 2001–2011, around 500,000 citizens emigrated from the country, with an average of 50,000 people per year—a trend that has continued in a similar manner thereafter.

During the period 2011–2025, the average age in Albania has increased, from approximately 32.6 years in 2011 to 38.8 years in 2023, with an even sharper rise in 2024 and 2025, reaching 43.5 and 44.3 years respectively. This trend reflects the combined effects of low fertility, significant emigration of young people, improvements in health, and increased life expectancy. These factors contribute to a decline in the young population and an increase in the proportion of middle-aged and elderly groups.

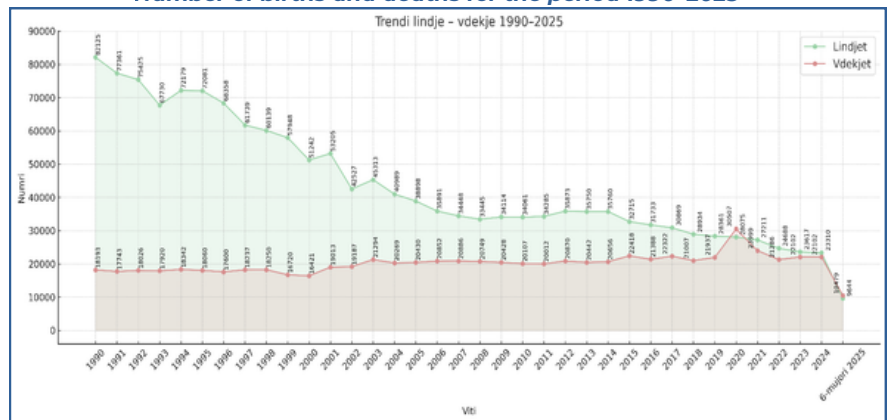
Data show that the fertility rate in Albania was 1.71 children per woman in 2012, decreasing to 1.21 in 2023, while the EU average stood at 1.38 births per woman in 2023. Demographic data obtained from INSTAT and processed by the audit group indicate that 2024 recorded the lowest number of births since 1990. Specifically, approximately 23,310 births were registered in the country in 2024, continuing a downward trend observed over several years. The natural population increase has been steadily declining, and in the first half of 2025, a negative natural increase (–835) was recorded.

It is observed that in the first quarter of 2025, births decreased by 14.1% compared to the same quarter in 2024, while in the second quarter of 2025, a decrease of 7.4% was recorded compared to the second quarter of 2024. The indicator on income and living standards shows that families with dependent children in 2024 faced a poverty risk of 24.8%, whereas families without dependent children faced a risk of 10.5%.

It is also noted that the “baby bonus” policy, aimed at providing financial support to young families, has not led to an increase in the number of births in Albania. As a result, the country should prioritize revising its financial support schemes for families with children.



Number of births and deaths for the period 1990–2025



BIRTHS AND EMIGRATION

<h2>23 310</h2> <p>Births were recorded in our country in 2024. Demographic data obtained from INSTAT and processed by the audit team show that 2024 recorded the lowest number of births since 1990.</p>	<h2>8541</h2> <p>Albanian citizens submitted asylum applications during 2024, mainly in European countries, with the United Kingdom remaining the primary destination, followed by Italy, France, and Germany.</p>	<h2>200 741</h2> <p>Albanian citizens were granted residence permits for the first time in European countries, in total by year:</p> <ul style="list-style-type: none"> • 2019 – 30,482 permits • 2020 – 38,299 permits • 2021 – 55,393 permits • 2022 – 76,567 permits
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Audit message

This audit has found that Albania does not have a comprehensive and cross-sectoral plan addressing the phenomenon of population ageing. This issue is currently addressed through sectoral strategies and plans which, in themselves, do not provide full, coordinated, and comprehensive support for ageing-related challenges.

The sectoral policies implemented so far by the responsible institutions, taken as a whole, have not led to improvements in key indicators. The country continues to experience a decline in birth rates of approximately 72% from 1990 to 2024, a negative migration balance with net migration decreasing from –15,030 persons in 2018 to –32,497 in 2022, as well as an increase in the average age from 32.6 years in 2011 to 44.3 years in 2025.

Based on the analyzed indicators, it is necessary to design and implement direct policies with a long-term perspective, acknowledging that changes in employment, fertility, migration, social protection, and economic development policies require decades to produce sustainable effects in society.

The EUROSAI Presidency publishes the parallel audit on “Artificial Intelligence,” led by Israel, with the participation of 12 SAI, including the ALSAI

The EUROSAI Presidency has published the consolidated report of the parallel audit on “Artificial Intelligence,” which examines governments’ preparedness for the implementation of AI. Led by the Office of the State Comptroller of Israel (SAI of Israel), this multinational parallel audit brought together 12 SAIs (Albania, Estonia, France, Israel, Italy, Latvia, Lithuania, North Macedonia, Poland, Romania, Slovakia, and Switzerland).

Artificial Intelligence (AI) is no longer a matter of future policy—it is already transforming how governments operate, how public services are delivered, and how public trust is built or lost. In this sense, AI represents a profound shift not only technologically, but also institutionally and socially.

This parallel audit shows that many countries are rapidly moving from strategic ambition to practical implementation. However, the level of readiness remains uneven. Progress accelerates where strategy, funding, governance, data, skills, and oversight mechanisms are developed in a coordinated and integrated manner; conversely, it slows where these elements evolve in a fragmented and disconnected way.

The audit, conducted during the period May 2024 – December 2025, applied a common analytical framework of nine themes and more than 92 structured questions to compare national preparedness across all strategic, infrastructural, and implementation dimensions. In summary, the main findings of the audit by area are presented below.

National Strategic Plan

The audit found that countries are pursuing different paths: some have government-approved AI strategies, while others rely on broader digital strategies, standalone initiatives, or draft strategies without formal adoption. Where governance ownership and cross-ministry coordination are clear, strategies translate more effectively into action and public-facing trust measures, including strong emphasis on public awareness. The chapter concludes that strategic direction matters most when it is paired with implementation ownership and measurable goals. It recommends periodic strategy reviews to ensure the chosen model still supports an ecosystem approach, real coordination, and sustained delivery.

National Budgets

Funding is a decisive test of seriousness, and the audit found that many countries still struggle with visibility. Less than half reported a clearly defined AI budget, while others embed AI spending in broader digital or sectoral envelopes, making it harder to track whether resources match strategic priorities.

The chapter concludes that fragmented budgeting weakens oversight and slows coherent scaling. It recommends improving transparency by distinguishing direct AI project funding from enabling investments (especially infrastructure), consolidating visibility across ministries, and coordinating external funding streams through clear ownership and multi-year planning.

Regulatory Guidance

Regulatory readiness is developing, but not consistently. Roughly half of countries reported published AI guidelines, even though all reported a dedicated body responsible for oversight. The EU AI Act is already acting as a powerful catalyst, yet countries anticipate heavy implementation demands and capacity constraints.



The chapter concludes that institutional ownership is ahead of operational guidance, and that ethics often remains a principles-level commitment without consistent, testable assurance.

It recommends publishing practical guidelines, treating EU AI Act preparation as whole-of-government execution (not only legal transposition), and strengthening enforceable mechanisms such as defined accountability, traceability, and pre-deployment checks where appropriate.

AI Infrastructure

Many countries are investing in AI infrastructure, especially compute capacity, but implementation is still in progress and cross-country comparability is limited by uneven measurement. National cloud environments are common, yet every country relies on third-party providers, reinforcing that hybrid delivery is the norm. The chapter concludes that infrastructure enables everything else, but it can also become a bottleneck when governance, demand forecasting, and accountability in hybrid environments are unclear. It recommends mapping capacity and forecasting demand across national and contracted resources, and strengthening hybrid governance to manage security, cost, resilience, and supplier concentration risks.



Parallel audit on “Artificial Intelligence”

Information Security

The audit found strong awareness of AI security risks, especially data leakage and unauthorized access, but weaker baselines for enforceable practice. Mandatory cybersecurity protocols and AI-specific privacy policies were not consistently reported, and incident experience remains limited - which makes prevention and preparedness even more critical. The chapter concludes that AI security is as much a governance challenge as a technical one. It recommends establishing baseline requirements and role-based training, improving traceability and documentation, and adopting lifecycle security practices that apply consistently across ministries and suppliers.

Digital Maturity Level

Data foundations remain a decisive constraint on scalable AI. While all countries reported some form of data sharing policy, operational barriers persist - especially regulatory and governance friction, interoperability gaps, and uneven data readiness. External benchmarking reinforces a recurring pattern: policy and platforms can advance faster than proven impact. The chapter concludes that governments often have “rules to share data,” but not always the operational conditions to share it efficiently, safely, and at scale. It recommends strengthening governance clarity, streamlining processes, improving interoperability and data quality practices, and building auditability so lawful reuse can be demonstrated, not just declared.

Government Projects

AI is already producing practical use cases across government, particularly in high-volume operational domains, and many countries report productivity improvements. Yet monitoring and evaluation mechanisms are not consistently embedded, and KPIs are often concentrated on efficiency rather than a balanced view of service quality, model performance, sustainability, reuse, and risk. The chapter concludes that implementation is advancing faster than governments’ ability to prove and compare impact. It recommends establishing consistent portfolio visibility, adopting balanced evaluation frameworks, and standardizing minimum reporting so scaling decisions are evidence-based and risk remains visible.

Human Capital

Talent is the most universal constraint: every country reported a shortage of AI experts, and many also reported a shortage of researchers. Upskilling is underway in many places, but not yet universal, and retention of critical stewardship roles remains a vulnerability that can deepen reliance on external providers

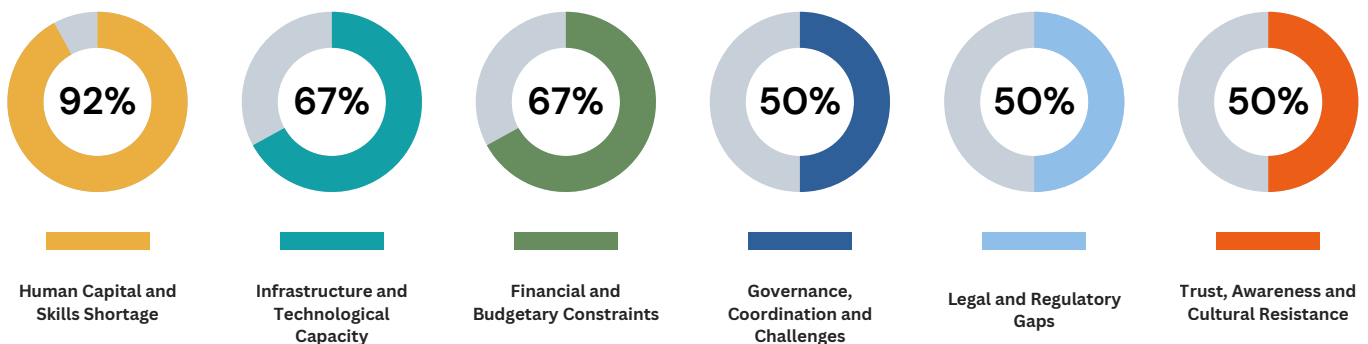


The chapter concludes that AI readiness rises or falls on people - not just technology. It recommends integrated workforce strategies that combine education pipelines, role-based training, enablement structures (centers of expertise and knowledge-sharing), and stronger recruitment and retention for key oversight and delivery roles.

Natural Language Processing (NLP)

Most countries are developing local-language NLP capability, but the dominant delivery model is external or hybrid, which raises long-term dependency and lifecycle governance questions. The chapter concludes that language capability is foundational for scalable AI in government services and internal operations, but it must be sustainable and governable over time. It recommends treating NLP as a reusable shared capability, and where vendors are central, enforcing clear responsibilities for maintenance, monitoring, documentation, updates, and risk management. Overall, the audit’s message is clear: governments are building momentum, and many of the right building blocks are already in motion. The next leap forward is to connect them - turning strategies into governed delivery, turning investment into transparent portfolios, turning principles into enforceable safeguards, and turning pilots into measurable public value at scale.

Key barriers to promoting Artificial Intelligence in the public sector



The one-year training program on performance auditing by the Supreme Audit Institution of Sweden has been successfully completed

From 23 to 27 March 2026, the closing block of the one-year certified training program on performance auditing was held in Stockholm.

The one-year training cycle on performance auditing was developed and supported by the Swedish National Audit Office within the framework of the Joint Working Group on Audit Activities for EU candidate and potential candidate countries. The program included six modules and served as a platform for professional development and capacity building of Supreme Audit Institutions in the field of performance auditing.

In this important professional program, ALSAI was represented by auditors Annavanessa Hoxhaj, Arjeta Çoku, and Lorena Liçi, who over the past year worked on conducting a performance audit entitled "Community care for the elderly and decentralization of the service."

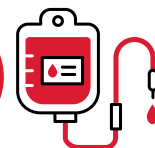


Upon the successful completion of the program, the Auditor General of the Swedish National Audit Office, Christina Gellerbrant Hagberg, awarded certificates to the participants, confirming the knowledge and skills they had acquired.

Recognizing the dedication and achievements of the young auditors, following their participation in the one-year training program, the Auditor General of Sweden emphasized the importance of capacity development in performance auditing within the framework of the European integration process.

Participation in this program demonstrates the readiness of auditors to work in accordance with European standards, as well as the institution's continuous investment in enhancing the knowledge and skills of its staff in line with international auditing standards and best practices.

ALSAI joins the blood donation initiative



Within the framework of the national voluntary blood donation campaign, employees of the Supreme State Audit joined this humanitarian initiative, contributing to this life-saving act.

On 05.03.2026, a voluntary blood donation session was held at the premises of ALSAI, in cooperation with the medical staff of the National Blood Transfusion Center.

ALSAI has consistently contributed to this campaign, supporting patients with thalassemia, chronically ill patients, hemophilia patients, those undergoing dialysis treatment, as well as individuals injured in accidents.

Recognizing the solidarity of the Supreme State Audit with this initiative, the staff of the National Blood Transfusion Center expressed their gratitude to ALSAI employees, who have now made voluntary blood donation a tradition in support of patients in need. Attention to citizens, especially those in need, is one of ALSAI's key priorities, also reflected in its audit activities through recommendations addressed to responsible institutions to ensure the provision of quality and efficient services.

Committed to its mission of safeguarding the public interest, the Supreme State Audit contributes through independent auditing to strengthening institutional accountability and improving services for citizens.

Thank you for reading!



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