



Monthly Newsletter

July 2026



The Parliament approved the Resolution “On the assessment of ALSAI’s activities for the year 2025”

The Assembly of Albania approved on its plenary session held on 23 July 2026 the Resolution “On the assessment of the activities of Albanian Supreme Audit Institution for the year 2025”.

The Resolution sets out of the Assembly's assessments and recommendations regarding the activities of the Albanian Supreme Audit Institution (ALSAI), with the aim of strengthening the accountability and transparency of public institutions, as well as improving the management of public funds and public assets in the interest of the public and good governance.

The ALSAI remains committed to implementing the Assembly's recommendations as part of an ongoing process to enhance the effectiveness of its audit activities and further strengthen institutional cooperation.

The approval of the Resolution was based on the presentations delivered by the Chairman of the ALSAI, Mr. Arben Shehu, before the Committee on Economy, Employment and Finance, where the "2025 Annual Activity Report" was presented, as well as before the Committee on Citizen Initiatives, Cooperation and Institutional Oversight.

During the review of the draft Resolution by the Committee on Citizen Initiatives, Cooperation and Institutional Oversight on 8 July 2026, the Chairman of the ALSAI presented the measures undertaken to implement the Assembly's recommendations concerning the updating of the audit methodology in line with international standards, the auditing of concession contracts and public-private partnerships (PPP), the expansion of performance and information technology (IT) audits, as well as the strengthening of cooperation with counterpart institutions.

During 2025, the ALSAI carried out 190 audits across 271 audited entities. These audits resulted in 4,994 recommendations, including proposals to improve the legal framework, organizational measures, measures for the recovery of financial damages, measures to address irregularities with adverse financial effects, as well as disciplinary and administrative measures.

Regarding the audit of concession contracts of particular importance to the public interest, Mr. Shehu announced that the ALSAI is currently conducting audits of the Thumanë-Fushë-Kruië-Vorë-Kashar road project, the "Check-up" medical service, and the integrated services provided in operating rooms.

In the area of performance auditing, Mr. Shehu emphasized that, during 2025, ALSAI addressed issues with a direct impact on citizens, including water pollution, dam safety and security, as well as measures to reduce poverty within the framework of the Sustainable Development Goals.

The 2026 Performance Audit Programme has been expanded to include new areas, such as the operation of hydropower plants, photovoltaic systems, grain quality control, and the effectiveness of the Medical Expert Committees for Work Capacity Assessment KEMP. In addition, the 2026 Information Technology Audit Programme includes a greater number of audits compared to previous years.

Within the framework of international cooperation, the ALSAI is currently engaged in several joint and parallel audits with the National Audit Office of Kosovo, the SAI of North Macedonia, the SAI of Ukraine, the SAI of Norway, as well as in EUROSAI activities through its working groups.

Hearing session on the implementation of audit recommendations regarding “The effectiveness and safety of medicines circulating in Albania”

On 14 July 2026, the Subcommittee on Public Sector Audit held a hearing session regarding the measures undertaken to implement the recommendations of the ALSAI audit “The effectiveness and safety of medicines circulating in Albania.”

The meeting was attended by invited officials who responded to Members of Parliament’s questions and provided information on the progress made in implementing ALSAI’s recommendations, including the deputy minister of Health and Social Protection, Ms. Eugena Tomini, the director of the National Agency for Medicines and Medical Devices, Mr. Erjon Spahiu etc. ALSAI attended with Ms. Arminda Bushi, Ms. Xhulieta Çelaj, Mr. Klarenc Xhaferaj, and Ms. Ina Sokoli.

During the hearing, representatives of MSHMS and AKBPM responded to Members of Parliament’s questions on several issues also identified during the audit, including: the number of authorized medicines and medicines physically tested in laboratories; the Agency’s cooperation with EMA and FDA; the availability of medicines and the reliability of the pharmaceutical market; laboratory testing of imported medicines granted special authorization; the lack of first-line alternative medicines on the reimbursement list; medicine prices in different countries; medical equipment at the Oncology Hospital etc.



In conclusion, Mr. Igli Cara, Chair of the Subcommittee, announced that, the Subcommittee’s report containing the relevant recommendations addressed to the Ministry of Health and Social Protection and the National Agency of Medicines and Medical Devices, would be presented at the next meeting.

WORKING SESSION BETWEEN ALSAI AND THE SUBCOMMITTEE ON PUBLIC SECTOR AUDIT

Strengthening parliamentary oversight through the effective consideration of ALSAI recommendations



On 22 July 2026, the working session of the Parliamentary Subcommittee on Public Sector Audit was held at the premises of Hotel Rogner, Tirana, with the participation of representatives of the Albanian Supreme Audit Institution. The activity was organized with the support of the National Democratic Institute (NDI) and focused on strengthening the oversight role of the Assembly through the effective consideration of ALSAI audit reports and monitoring the implementation of their recommendations, with the aim of increasing the accountability of public institutions.

The meeting was attended by members of the Subcommittee on Public Sector Audit, Members of the Committee on Economy, Employment and Finance, representatives from ALSAI, SECO, SIGMA, NDI etc.

During the proceedings, the findings and recommendations of two audit reports selected by the Subcommittee were taken into consideration by addressing issues of high public interest:

“Compliance with standards in urban waste management, a sustainable challenge in reducing environmental pollution and protecting public health” and “The child adoption process and the guarantee of their rights to upbringing and education”.

The discussions focused on identifying priority issues for parliamentary oversight, organizing parliamentary hearings, and establishing monitoring mechanisms for the implementation of ALSAI recommendations.

The activity represents a concrete step towards establishing a more sustainable practice of cooperation between ALSAI and the Assembly, with the aim of making more effective use of audit findings and recommendations in strengthening parliamentary oversight of public institutions.



2026 REPORT ON THE “RULE OF LAW”

The European Commission acknowledges the role of ALSAI in the fight against corruption

On 17 July 2026, the European Commission published the “Rule of Law Report”, in which the contribution of the Albanian Supreme Audit Institution to the fight against corruption is acknowledged. The Report highlights that ALSAI has continued the practice of referring cases for criminal prosecution and cooperation with prosecutorial authorities.

“ALSAI continued the practice of referring cases for criminal prosecution and cooperation with prosecutorial authorities. During 2025, ALSAI referred 8 cases containing suspected criminal elements to prosecutorial authorities. In addition, the exchange of information continued at the request of the prosecution authorities. During 2025, 43 materials related to issues requiring further verification or investigation were submitted to these authorities upon their request”, states the 2026 Rule of Law Report.

The European Commission has continuously acknowledged the role of ALSAI in strengthening institutional accountability, preventing corruption, and contributing to the European integration process.

The “Albania 2025” Progress Report highlights the quality of ALSAI’s audit work in line with the standards of the International Organization of Supreme Audit Institutions (INTOSAI) and emphasizes the need to improve the implementation of external audit recommendations.

European Commission’s 2025 Rule of Law Report on ALSAI

“

The State Audit Institution (ALSAI) maintained its track record on judicial referrals and cooperation with criminal prosecution bodies. In 2025, ALSAI referred eight cases with criminal elements to prosecution.

Additionally, there was continued information sharing at the request of prosecution authorities (43 materials on issues requiring further investigation were shared with prosecutorial bodies upon request in 2025).

”

Audit on “The effectiveness of measures undertaken to eradicate poverty in all its forms”

The Performance Audit Department at ALSAI conducted an audit on the topic “Effectiveness of the measures undertaken within the Framework of SDG 1: ‘End poverty in all its forms’”. The audit was carried out at the Ministry of Health and Social Protection, the Ministry of Finance, the Ministry of Economy, Culture and Innovation, the State Agency for Strategic Programming and Aid Coordination, the National Civil Protection Agency, the Institute of Statistics, as well as in the municipalities of Durrës and Elbasan. The audit period covered the years 2022–2024. The objective of the audit was to evaluate the effectiveness of the policies and measures undertaken to achieve SDG 1, which aims to eradicate poverty in all its forms.

The audit found that, although Albania has integrated the Sustainable Development Goals (SDGs) into strategic documents and has undertaken policies to alleviate poverty, basic elements for the effective design and implementation of these policies are still lacking. In particular, the country does not have an official definition of poverty and has not yet adopted a minimum living standard, which limits the effectiveness of economic assistance schemes, social protection programmes, and poverty measurement.

The audit found that, during the period 2016–2024, approximately 4.12 trillion ALL were allocated to support the achievement of the SDGs, while funding for Goal 1 – “Poverty Eradication” increased from around 60 billion ALL in 2016 to around 100 billion ALL in 2024. However, despite the increase in funding, more than 40% of the population in Albania continues to be at risk of poverty or social exclusion, a level approximately twice as high as the European Union average (21% of the population in 2023). Meanwhile, the budget allocated for social protection in Albania is also significantly lower than the average of EU countries. According to data from the Ministry of Health and Social Protection, during 2023, an average of 62 thousand families benefited from economic assistance.

The monitoring report of the National Social Protection Strategy highlights that only 62% of the population living in extreme poverty benefits from economic assistance, compared to the target of 100%, while only 65% of beneficiary families have also been included in other support programmes, compared to the target of 75% by 2023.

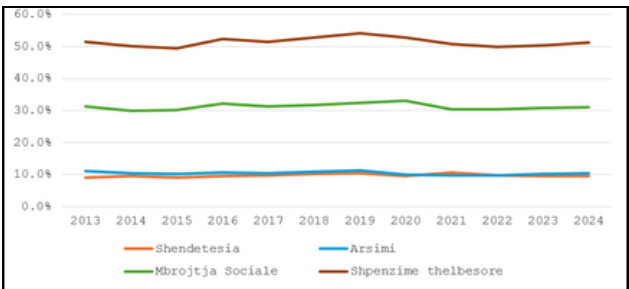
The audit also found that social protection expenditure in 2024 accounted for around 9% of GDP or 31% of total government expenditure, remaining almost at the same level as in 2013. The budget for social protection remains less than half of the European Union average, while expenditure on essential services (social protection, education, and healthcare) during the period 2013–2024 accounted for around 50% of government expenditure, compared to an average of 65% in European countries. In conclusion, the audit assessed that, although measures have been undertaken and funding for poverty alleviation has increased, the results achieved remain limited and are not aligned with the established objectives. The lack of an approved minimum living standard, the high level of population at risk of poverty, and the incomplete coverage of vulnerable groups indicate the need for more effective measures for the planning, financing, and monitoring of social policies. For this reason, the ALSAI recommends that, by 2027, the Ministry of Health and Social Protection, in cooperation with the Institute of Statistics and the Ministry of Finance, undertake the necessary steps for the approval of a minimum living standard, which will serve as a basis for the design of social protection policies, the determination of economic assistance, and the measurement of poverty in the country.



40% of the population was at risk of poverty or social exclusion during the 2022–2024 period

50% of total expenditures during the 2013–2024 period were allocated to essential services

Essential expenditure in total and by sector, as a % of total expenditure



What is considered poverty?



According to the international standard, extreme poverty refers to living on less than 2.16 US dollars per day. However, according to the definition of the United Nations (UN), poverty is not limited only to the lack of income. It is defined as severe deprivation of basic human needs, including access to food, safe drinking water, a clean environment, healthcare, housing, education, and information. This is precisely why SDG 1 aims to eradicate poverty in all its forms, addressing it as a multidimensional phenomenon rather than merely as a lack of income.

Cooperation for Sustainable Development: Innovative approaches by Supreme Audit Institutions



On 8 July 2026, the INTOSAI parallel event was held within the framework of the United Nations High-Level Political Forum on Sustainable Development HLPF 2026, under the theme “Cooperation within the Accountability Ecosystem for Sustainable Development – Innovative Approaches by Supreme Audit Institutions”.

The event was organized by the INTOSAI Presidency (SAI of Egypt), the INTOSAI General Secretariat (SAI of Austria), the INTOSAI Development Initiative (IDI), and the Permanent Mission of Egypt to the United Nations in New York, in cooperation with the United Nations Department of Economic and Social Affairs (UN DESA). The meeting was held in a hybrid format, with in-person participation at the premises of the Permanent Mission of Egypt to the United Nations in New York and online streaming via the “Zoom” platform. From ALSAI, the event was followed online by Ms. Miranda Misini and Ms. Vjola Kojani, auditors at the Performance Audit Department.

The event was opened with welcoming remarks by Ms. Manal Mohamed Khairy, Vice President of the State Accountability Authority of Egypt and representative of the INTOSAI Presidency, representatives of the INTOSAI General Secretariat, as well as Ambassador Ihab Awad, Permanent Representative of Egypt to the United Nations. They emphasized the role of Supreme Audit Institutions not only in overseeing the use of public funds, but also as important partners in strengthening accountability and promoting sustainable development in a rapidly changing world.

The main issues addressed during the event included:

- Strengthening the capacities of Supreme Audit Institutions for auditing the Sustainable Development Goals.
- Cooperation between INTOSAI, IDI, and UN DESA for the development of the “SDG Auditors in Supreme Audit Institutions” initiative, with the aim of enhancing auditors’ professional competencies.
- Strengthening fiscal ecosystems as a key element for the implementation of the Sustainable Development Goals.
- Emerging trends affecting the achievement of the 2030 Agenda.
- The use of Artificial Intelligence and innovative technologies in SDG audit processes.

In the first panel, representatives of IDI and UN DESA presented the “SDG Auditors in Supreme Audit Institutions” initiative, which aims to develop auditors’ professional skills for auditing the implementation of the SDGs. The main findings of the World Public Sector Report 2025 were also presented, focusing on building strong public institutions, enhancing institutional capacities, and strengthening international cooperation for the achievement of the Sustainable Development Goals.

The second panel discussed innovative approaches to strengthening cooperation among Supreme Audit Institutions, international organizations, and other stakeholders within the accountability ecosystem. The discussions highlighted the importance of creating synergies between SDG audits and sustainability reporting audits in the public sector, strengthening fiscal systems, and integrating Artificial Intelligence and advanced technologies into audit processes, with the aim of increasing their quality, efficiency, and impact.

At the conclusion of the event, IDI representatives reaffirmed the commitment of INTOSAI and its partners to continue developing joint initiatives that support capacity building of Supreme Audit Institutions, the exchange of best practices, and the use of innovative approaches in auditing the implementation of the Sustainable Development Goals.

Thank you for reading!

© All rights reserved by the ALSAI

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