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Subject: EUROPEAN UNION COMMON POSITION

- Cluster 5: Resources, Agriculture, and Cohesion

EUROPEAN UNION COMMON POSITION

(following Albania's Negotiating Position AD 16/25 CONF-ALB 13)

Negotiating Cluster: 5

Resources, Agriculture, and Cohesion

Including chapters 11 – Agriculture and Rural Development, 12 – Food Safety, Veterinary and Phytosanitary, 13 - Fisheries and aquaculture, 22 – Regional Policy and Coordination of Structural Instruments, 33 – Financial and Budgetary Provisions

This position of the European Union is based on its general position for the Accession conference with Albania (AD 5/22 CONF-ALB 2), and is subject to the negotiating principles endorsed therein, in particular:

- any view expressed by either Albania or the EU on a specific chapter of the negotiations will in no way prejudice the position which may be taken on other chapters;
- agreements reached in the course of negotiations on specific chapters, even partial ones, may not be considered as final until an overall agreement has been reached for all chapters;

as well as to the requirements set out in points 2, 3, 5, 10, 16, 23, 26, 31, 38, 45, 46, 47 and 48 of the Negotiating Framework.

The EU encourages Albania to continue the process of alignment with the EU *acquis* and its effective implementation and enforcement, and in general to develop already before accession, policies and instruments as close as possible to those of the EU.

The EU notes that Albania, in its position AD 16/25 CONF-ALB 13 accepts the EU *acquis* under Cluster 5 as in force on 2 September 2025 and that it will be ready to implement the EU *acquis* by the date of its accession to the European Union except under chapter 11, where it requests derogations, transitional periods and technical adjustments and adaptations in the fields of agriculture support schemes, rural development support (EAFRD), trade mechanisms and wine, aromatised wine and spirit drinks, under chapter 12 in the fields of food safety and phytosanitary policy, and under chapter 33 in contributions to the EU budget.

The EU notes with regret that since July 2023 the reimbursements under the IPARD II programme had to be interrupted and the entrustment of budget implementation tasks for the IPARD III programme had to be put on hold. The EU underlines the need for a thorough follow up, including the adoption of remedial measures. The EU underlines that the correct use, control, monitoring and evaluation of EU assistance during the pre-accession period will constitute a key indicator in Albania's ability to implement the financial control *acquis* in relation to this negotiation cluster.

As an overall response to Albania's requests for transitional periods and derogations, the EU recalls its general negotiating position that transitional measures are exceptional, limited in time and scope, and accompanied by a plan with clearly defined stages for the application of the *acquis*. They must not involve amendments to the rules or policies of the EU, disrupt their proper functioning, or lead to significant distortion of competition.

1. Chapter 11 – Agriculture and Rural Development

The EU underlines that Albania needs to align with the EU *acquis* in the area of financing of the agricultural expenditure. The EU stresses the need for Albania to be fully aligned with the EU *acquis* and the delivery model of the common agricultural policy (CAP). The EU also underlines the importance for Albania to have a Paying Agency fully aligned with EU requirements.

The EU notes that Albania needs to align with the EU *acquis* in the area of management and monitoring of agriculture expenditure. The EU underlines that Albania needs to ensure that the Agricultural and Rural Development Agency (ARDA) has the capacity to manage and control CAP payments, and that the necessary structures, to comply with the requirements of the *acquis* and to administer all payments under the CAP, are established. The EU also notes that Albania needs to ensure extensive capacity building in the required institutions well in advance of accession.

The EU invites Albania to confirm that it does not foresee problems in applying the system of financial management nor in complying with EU requirements as regard public storage and budgetary discipline.

The EU underlines that Albania needs to align with the EU *acquis* on agriculture support schemes. The EU stresses that Albania needs to decouple financial support to farmers from production, and to introduce the system of conditionality and area-based payments.

The EU notes that as regards the calculation of the global amount of direct payments for Albania, the EU will take a position at a later stage of the negotiations. The EU underlines that EU direct payments may be subject to a phasing-in period in line with previous enlargements.

The EU takes note of Albania's request for a transitional period of 4 years from the date of EU accession or until 2034, for the gradual implementation of the conditionality requirements and standards, as defined in Articles 12, 13 and 14 of Regulation (EU) 2021/2115 on support for CAP Strategic Plans.

Before the EU can take a position on this request, the EU invites Albania to further substantiate each element of this request, in particular concerning the timelines for implementation of the different requirements and standards.

The EU underlines the importance of Good Agricultural and Environmental Conditions (GAECs), Statutory Management Requirements (SMRs) and social requirements for the development of sound sustainable agriculture.

The EU takes note of Albania's request to apply complementary national direct payments up to the full level of support from the date of accession, in the event of gradual introduction of CAP direct payments during a phasing-in period.

The EU underlines that any decision concerning the introduction of complementary national direct payments and possible limits for such payments will only be possible at a later stage.

The EU takes note of Albania's request to use up to 50% of its annual allocation for the EAFRD to finance complementary national direct payments during the whole period of gradual introduction of direct payments.

The EU underlines that any decision concerning the use of the EAFRD allocation to finance complementary direct payments will only be possible at a later stage.

The EU takes note of Albania's request to transfer up to 30% of its allocation for the EAFRD to direct payments in accordance with Article 103 of Regulation (EU) No 2021/2115.

The EU underlines that any decision concerning the transfer from EAFRD allocations to direct payments will only be possible at a later stage.

The EU takes note of Albania's request to consider the Utilised Agricultural Area (UAA), corresponding to the total area irrespective of any claim for direct payments for the purpose of calculating the financial envelope for direct payments and the financial envelope for the wine sector.

The EU underlines that any decision concerning the financial envelopes for Albania will only be possible at a later stage of the negotiations.

The EU takes note of Albania's request for a transitional period of 4 years from the date of accession to the EU or until 2034, for not implementing eco-schemes, and for transferring the 25% minimum financial allocation for eco-schemes stipulated in Article 97 of Regulation (EU) No 2021/2115 to basic income support for sustainability.

The EU underlines the importance of eco-schemes for the promotion of climate-and environment-friendly farming practices and the development of sustainable agriculture. The EU invites Albania to reconsider its request in line with existing provisions of the EU *acquis*.

The EU stresses the need for Albania to align with the EU *acquis* on rural development, particularly as regards the selection of measures, programming, monitoring, controlling and evaluation capacities. The EU notes that Albania needs to strengthen the environmental and climate orientation of its policy in line with the EU objectives and framework in rural development, and to strengthen their administrative capacity.

The EU takes note of Albania's request for a transitional period of 4 years from the date of accession to the EU or until 2034, for reducing the minimum contribution of EAFRD to the CAP strategic plan reserved for environmental and climate-related specific objectives, as defined by Article 93(1) of Regulation (EU) No 2021/2115, to a minimum contribution of 10%.

The EU underlines the importance for Albania to build up the necessary administrative capacity for the implementation of interventions addressing environmental and climate-related specific objectives. The EU invites Albania to reconsider its request in line with existing provisions of the EU *acquis*.

The EU takes note of Albania's request for a transitional period of 4 years from the date of accession to the EU or until 2034, for increasing the maximum EAFRD contribution rate for investments in farms and food processing establishments related to environmental protection and animal welfare, to a maximum contribution of 80%.

Before the EU can take a position on this request, the EU invites Albania to provide further information to substantiate this request and underlines that any exception needs to be fully substantiated and justified.

The EU takes note of Albania's request to be granted the right to continue with full year allocations under IPARD III Programme, until its formal closure, or the latest in 2030, in accordance with the provisions of the Financial Framework Partnership Agreement (FFPA 2021–2027), the IPARD Sectoral Agreement and the Financing Agreement, in case of an earlier phase in into the CAP or other Multiannual Financial Framework 2028-2034 EU funds.

The EU notes that, once the IPARD III Financing Agreement is concluded, Albania may continue to contract or enter into commitments under the IPARD III programme until it begins to contract or enter into commitments for rural development CAP interventions under the relevant Regulation. Albania shall inform the Commission of the date on which it begins contracting or entering into commitments for rural development CAP interventions under the relevant Regulation.

The EU takes note of the reservation expressed by Albania regarding the contribution of EAFRD to the CAP strategic plan reserved for LEADER, as defined by Article 92(1) of Regulation (EU) No 2021/2115.

The EU underlines the importance for Albania to build up the necessary administrative capacity for the implementation of the LEADER programme after Albania's accession to the EU. The EU invites Albania to reconsider its request in line with existing provisions of the EU *acquis*.

The EU notes that Albania has a control system in place but needs to align it with the EU *acquis* on the integrated administration and control system (IACS). The EU stresses the need for Albania to establish the necessary elements of IACS and to ensure extensive capacity building well in advance of accession. The EU also notes that Albania needs to put in place a land parcel identification system (LPIS) to correctly identify all agricultural land parcels and to ensure the correctness of the information in the land registration. The EU underlines that Albania's farm register also needs to be improved to fully align with the EU *acquis*.

The EU further notes that the farm accountancy data network (FADN) has been transformed into the farm sustainability data network (FSDN) which expands the FADN economic scope to environmental and social dimensions. The EU stresses that Albania needs to establish a FSDN aligned with the *acquis*, including a sufficient number of farms in the network to reach a representative level across the sector. The EU underlines that Albania needs to ensure sufficient administrative capacity to deploy and maintain the FSDN.

The EU notes that Albania needs to align with the EU *acquis* on State aid and underlines that Albania will need to bring all its aid measures in line with the *acquis* upon accession. The EU invites Albania to provide more information on all state aid measures currently in force in Albania, including State aid schemes.

The EU notes that Albania needs to align with the EU *acquis* on trade mechanisms. The EU stresses that Albania's tariffs and trade arrangements for agricultural products with third countries need to fully align with the *acquis* upon accession.

The EU takes note of Albania's request to have the right to apply safeguard measures in the event of severe market disruptions that could occur after accession to the EU due to increased imports of products from other Member States.

The EU underlines that no restrictions are permitted in trade among the members of the EU on the EU internal market.

The EU stresses that Albania needs to be fully aligned with the EU *acquis* on market interventions. Albania will need to apply the storage and exceptional support measures under the common market organisation *acquis* upon accession.

The EU notes that the issue of stocks of agricultural products held in Albania at the date of accession needs to be addressed under two different aspects:

- the taking over of public stocks by the EU and
- the treatment of stocks in free circulation, in particular where these stocks exceed the level of normal carry-over stocks.

The EU also notes that as in previous accessions, national security stocks should be disregarded for this exercise, assuming that they will be maintained during a certain period after accessions. The EU considers that any public stocks held at the date of accession and resulting from Albania's market-support policy should be taken over by the EU at a value resulting from the application of Commission Delegated Regulation (EU) 906/2014 supplementing Regulation (EU) No 1306/2013 with regard to public intervention expenditure. Albania's public stocks should only be eligible on the condition that public intervention is operated in the EU for the product concerned on the date of accession and those stocks meet the relevant EU intervention requirements.

The EU considers that Albania should pay a charge to the EU budget in respect of any stocks (private as well as public) in free circulation at the date of accession in Albania exceeding the level of what can be considered as normal carry-over of stock. The EU considers furthermore that the charge should be fixed at a level which reflects the cost of removing those stocks from free circulation and the quantity of stock concerned and the level of the charge should be fixed for each product on the basis of criteria and objectives specific to each product and the EU legislation applicable to it. The EU considers that the Commission should be authorised to implement and apply the arrangements outlined above.

The EU notes that Albania needs to align with the EU *acquis* on the school scheme to benefit from the EU support to the distribution of fruits, vegetables, milk and milk products to children in schools, as well as accompanying educational measures from accession.

The EU underlines that Albania needs to align with the *acquis* on arable crops, notably on cereals, rice and sugar beet. The EU emphasises that market measures and producer organisations need to be fully aligned with the *acquis*.

The EU notes that Albania needs to align with the EU *acquis* on animal products, notably on milk and milk products, beef, sheep and goats, pig meat, poultry, eggs and honey. The EU emphasises that carcass classification systems, animal identification and registration, storage and exceptional support measures, contractual relations in the sector, producer organisations and price reporting need to be aligned with the *acquis*.

The EU stresses that Albania needs to further align with the EU *acquis* on support schemes, planting authorisations and market stabilisation schemes in the wine sector. Albania needs to define methods for official analysis. Albania also needs to fully align with the EU *acquis* on aromatised wines and spirit drinks.

The EU takes note of Albania's request for an exemption from the application of the scheme of authorisations for vine plantings as regulated by the provisions of Chapter III of Regulation (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products.

The EU will take a position on planting rights for Albania at a later stage of the negotiations.

The EU takes note of Albania's request to include its national wine grape varieties as listed in the Order of Minister of Agriculture and Rural Development No. 897 dated 4.11.2024 "On the approval of the list for classification of wine grape varieties used for the production of wine products," in the list of wine grape varieties authorised for production and for labelling and presentation in the wine sector, pursuant to Article 81 of Regulation (EU) No 1308/2013.

The EU invites Albania to provide the Commission with the list of wine grape varieties authorised on Albania's territory for the purpose of wine production, which are classified according to the criteria of Articles 81 and 120(2)(b) of Regulation (EU) No 1308/2013.

The EU takes note of Albania's request to use the names of the wine grape varieties consisting of, containing or partially containing a protected designation of origin or geographical indication for labelling of wines. Albania expects to be included in Annex IV of Regulation (EU) No 2019/33 - List of wine grape varieties and their synonyms that may appear on the labelling of wines in accordance with Article 22 of Regulation (EU) 2024/1143 on geographical indications for wine, spirit drinks and agricultural products, for varieties as defined in the Order of Minister of Agriculture and Rural Development No. 897 "On the approval of the list for classification of wine grape varieties used for the production of wine products."

The EU invites Albania to provide the Commission with a list of any wine grape variety names it requests to add to Parts A and B of Annex IV of Regulation (EU) No 2019/33 in accordance with Article 50(3) and (4) of this regulation, accompanied by information as regards production, marketing and labelling practices related to these varieties.

The EU takes note Albania's request that the geographical indications for Albanian wines, as listed in Protocol 3 of the Stabilisation and Association Agreement, be accepted as protected designations of origin and registered in the EU register of geographical indications in accordance with Regulation (EU) 2024/1143.

The EU emphasises that the protected designations of origin for wines from Albania to be entered in the EU register shall be subject to prior examination by the Commission and opposition procedure in the EU.

The EU also invites Albania to clarify before the accession the traditional terms to be used for each protected designation of origin.

The EU takes note Albania's request to include the wine-growing areas of Albania in Appendix I to Annex VII of Regulation (EU) No 1308/2013.

The EU underlines that the classification in the EU wine-growing areas should be determined on the basis of objective data and criteria before accession in order to give legal certainty to the wine producers in Albania regarding the operations of enrichment, acidification and de-acidification.

The EU invites Albania to communicate to the Commission the list of its wine-growing areas in accordance with Article 33 of Regulation (EU) No 2018/274.

The EU also invites Albania to provide for each of its main wine-growing areas cartographic details (detailed map) with complete climatological data, average monthly temperatures, possible bio-climatic indices, altitude of the vineyards, latitude, sugar and acidity content of the must and natural minimum alcoholic strength for a period of time of at least 10 years.

The EU notes that Albania needs to align with the EU *acquis* on fruits and vegetables. The EU stresses the need to ensure that marketing standards including inspection arrangements and price reporting, are aligned with the *acquis*. The EU stresses that Albania needs to align with the *acquis* on payments for production in greenhouses of vegetables, strawberries and table grapes as well as for medicinal and aromatic plants. The EU also stresses that Albania needs to develop its administrative capacity to implement and enforce the EU *acquis*.

The EU notes that Albania needs to align with the EU *acquis* on marketing standards for olive oil, private storage aid, producer organisations and interbranch organisations.

The EU underlines that Albania needs to align with the EU reporting requirements on tobacco production and price reporting, and with the provisions on interbranch organisations in the sector.

The EU notes that Albania needs to align with the EU *acquis* on cocoa, chocolate, coffee, fruit juices, jams, notably on definitions and labelling, and to ensure adequate control capacities.

The EU notes Albania's low level of alignment with the EU *acquis* on non-Annex I products. The EU stresses that Albania will need to bring its tariff and trade arrangements with third countries for non-Annex I products in line with the *acquis* upon accession.

The EU stresses that Albania needs to continue the alignment with the EU *acquis* on quality policy, notably to develop quality schemes for aromatic wines and spirit drinks, and to further strengthen the system for implementation of the quality schemes.

The EU stresses that Albania needs to continue the alignment with the EU *acquis* on organic farming and to further strengthen its control system.

The EU notes that Albania needs to align with the EU *acquis* on information and promotion policy for agricultural products upon accession.

The EU stresses the importance that Albania continues fighting corruption in the area of Agriculture and Rural Development, through concrete measures for integrity, accountability and transparency and by setting up an effective financial management, monitoring and control system with sufficient capacities for control and audit.

2. Chapter 12 – Food Safety, Veterinary and Phytosanitary

The EU underlines that substantial efforts are required to ensure full compliance with all EU requirements in this chapter.

The EU underlines Albania needs to align with the EU *acquis* in the area of food and feed law. The EU stresses the need to ensure the appropriate organisational structure to correctly implement both the General Food Law Regulation and other EU sectoral legislation relating to food and feed, including pre-market approvals/authorisations of food/feed related products. The EU also stresses Albania needs to ensure a clear separation between risk management and risk assessment within the National Food Authority. In that context, Albania should clarify how the processes related to the adoption of national emergency measures to address risks in relation to the placing of a food/feed are eventually reviewed by the national risks managers. Additionally, Albania needs to ensure that alongside the general traceability requirements more detailed traceability requirements¹ are incorporated into national law as it is already the case for the traceability for food of animal origin.

The EU stresses that Albania needs to align with the EU *acquis* on official controls. The EU invites Albania to increase its resources dedicated to official controls and to establish a robust system for official certification, verification and control procedures. The system should be comprehensive, integrated and effective across all key areas covered by the relevant EU *acquis*, including food and feed safety rules and hygiene provisions, animal health, animal welfare and plant health requirements including provisions of the Official Control Regulation² and prevention, detection and deterrence of frauds in these areas.

¹ Commission Implementing Regulation (EU) No 208/2013

² Regulation (EU) 2017/625

The EU also notes that Albania has currently 13 border control posts (BCPs). The EU encourages Albania to increase the number of BCPs operating in compliance with the EU *acquis* in preparation of its accession to the EU. The development of a network of official laboratories operating according to, and covering the needs provided for in the EU *acquis*, is deemed crucial. The EU welcomes Albania's level of alignment with and use of Trade Control and Expert System (TRACES).

The EU encourages Albania to further align with the EU *acquis* in veterinary policy. The EU further underlines that Albania needs to ensure enforcement and implementation of the rules in place. The EU invites Albania to give the necessary attention to prevent, control and address animal diseases and to align with EU standards.

The EU stresses that Albania needs to further align with the EU *acquis* on animal welfare. The EU further urges that Albania ensures proper implementation by operators of EU's rules to protect the welfare of animals on farm, during transport and during slaughter and killing. The EU invites Albania to develop sufficient administrative capacity to enforce the animal welfare *acquis*.

The EU stresses that Albania needs to align with the EU *acquis* in the area of placing on the market of food, feed and animal products including animal byproducts, notably on hygiene rules, specific rules and controls to prevent significant risk for public and animal health. Specifically on animal byproducts, the EU invites Albania to align with the EU *acquis* and implementing legislation and to build up a whole system for the use, collection, processing and disposal of animal by-products, in line with the EU requirements in place. The EU also stresses that Albania needs to ensure implementation and enforcement of the *acquis*, to adapt accordingly all derived implementing rules and procedures.

The EU takes note of Albania's request for a transitional measure as regards the requirements on the hygiene of foodstuffs and the specific hygiene rules for food of animal origin of all establishments dealing with meat, milk, fish and eggs to comply with the EU *acquis* or to cease activities the duration of which will be set following the completion of the Regulation Specific Implementation Plan scheduled within 2026.

The EU takes note of Albania's request for a transitional period of 5 years after accession to the EU or until 2035 for the collection and processing of raw milk, as set in the Annex III of Regulation (EC) No 853/2004.

The EU underlines that it is important that establishments comply with the *acquis* to ensure the functioning of the internal market. Before the EU can take a position on these requests, the EU invites Albania to provide a national programme for the upgrading of all non-compliant establishments for products of animal origin which have to achieve full compliance with EU structural requirements and the delivery of raw milk compliant with EU standards. With regard to the milk sector, the national programme should include a strategy for the use of non-compliant raw milk. The EU underlines that, without prejudice to the decision to be taken by the EU on this request, such a transitional measure may only apply for structural requirements. These establishments would not be allowed to market their products in other EU Member States. The EU invites Albania to reconsider the timeframe related to the requested measure. The EU will take a final position on the basis of the requested approved national programme.

The EU encourages Albania to fully align with the EU *acquis* on general and specific rules for food safety including on food contact materials, additives, supplements, enzymes, extraction solvents and flavourings, natural mineral waters, food supplements, fortified food and food for specific groups, food labelling and advertising, health and nutrition claims, and contaminants. The EU positively notes Albania's high alignment with the EU *acquis* on ionising radiation and contaminants in food and undesirable substances.

The EU stresses that Albania needs to align with the EU *acquis* on specific rules for feed, including on the additives for use in animal nutrition, undesirable and restricted/prohibited substances in animal feed and medicated feed as well as feed hygiene, labelling and placing on the market. The EU also stresses that Albania need to ensure full implementation and enforcement of the *acquis*, to adapt accordingly all derived implementing rules and procedures such as concerning the Catalogue of feed materials, the list of intended uses of feed intended for particular nutritional purposes or the positive list of feed additives authorised at Union level for placing on the market and use in feed.

The EU underlines that Albania needs to align with the EU *acquis* on phytosanitary policy, especially on plant protection products and measures against pests of plants. The EU also invites Albania to develop administrative capacity and technical expertise on plant protection products and pesticide residues for the enforcement of the legal framework, to carry out full risk assessments and implement sanctions for illegal use/marketing of plant protection products. The EU also invites Albania to ensure effective detection, notification and eradication of regulated pests of plants, prevention of their entry through import controls, and also effective use of all technical and certification tools.

The EU also notes that Albania's national legislation on plant variety rights is based on the International Union for the Protection of New Varieties of Plants (UPOV) Convention as the EU *acquis* and specifies that after accession, the national system for granting plant variety rights can continue to co-exist with the EU system. The EU stresses that the plant variety protection Regulation³ will apply automatically in Albania as of the date of its accession and does not require special implementing measures.

The EU takes notes of Albania's request for a transitional period of 4 year after accession to the EU or until 2034 for the application of Catalogue of varieties of agricultural plants also for the Marketing of vegetable seed and planting material with regard to the marketing of varieties of beets, cereals, oil and fibre plants, fodder plants, vegetables and seed potatoes for varieties of plants which have not yet passed the Distinctness Uniformity and Stability (DUS).

³ Regulation (EC) No 2100/94

Before the EU can take a position on this request, the EU invites Albania to provide further information explaining the rationale for the proposed transition period, along with a detailed justification supporting each element of the request.

The EU urges Albania to align its legislation with the EU *acquis* on genetically modified organisms (GMOs) and genetically modified food and feed, notably on contained use, deliberate release into the environment for any other purpose than placing on the market, placing on the market, transboundary movement, and traceability and labelling⁴. The EU encourages Albania to develop sufficient implementation capacity and clarify the roles and responsibilities of various institutions involved in GMO matters.

The EU takes note of Albania's bilateral or multilateral international agreements. The EU underlines that it is the responsibility of Albania to ensure that from the date of accession all its bilateral international agreements are in compliance with EU requirements.

The EU stresses the importance that Albania continues fighting corruption in the area of Food Safety, Veterinary and Phytosanitary policy, through concrete measures for integrity, accountability and transparency including in public contracts, licensing and permits, and official controls.

3. Chapter 13 – Fisheries and aquaculture

The EU recalls the principle of exclusive EU competence over the conservation of marine biological resources. The EU underlines that Albania's acceptance of the *acquis* implies its acceptance of the EU regime on access to waters and resources. The EU notes that the fisheries sector in Albania is relatively small and urges Albania to strengthen administrative capacity to implement the Common Fisheries Policy.

⁴ Directive 2009/41/EC, Directive 2001/18/EC, Regulation No 1829/2003, Regulation No 1830/2003, Regulation No 1946/2003

The EU urges Albania to align with EU *acquis* in resource and fleet management including technical measures. The EU recalls that EU fleet policy will require introduction of ceilings in terms of GT (Tonnage) and KW (kilowatt) and the preparation of a compliant fleet register. The EU stresses the need for Albania to align on data collection and its implementation on board of fishing vessels and landing sites, socio-economic data, recreational fisheries and discard plans. The EU invites Albania to improve data storage and management, including the introduction of digital systems to enable appropriate electronic data exchange. The EU underlines the need to ensure enforcement of the discard ban.

The EU notes Albania's partial alignment with the EU *acquis* on inspection and control including regarding illegal, unreported and unregulated (IUU) fishing and imports from third countries. The EU further notes that catches, landings and sales notes must be recorded in accordance with EU requirements and traceability of fish products ensured throughout the value chain. The EU stresses that Albania needs to strengthen its inspection and control capacity and in particular the Fisheries Inspectorate.

The EU notes Albania has still not developed plans to implement a Regional Plan of Action for small-scale fisheries. The EU stresses Albania needs to implement this plan.

The EU notes Albania's partial alignment with the EU *acquis* on structural measures. The EU encourages Albania to build the administrative capacity to manage the relevant funds, in line with EU requirements. The EU further stresses that Albania's national measures not covered by the EU's structural policy will need to be notified as State aid to the European Commission upon accession. The EU underlines the importance of the timely establishment of the institutional framework, including the formal designation of institutional structures with specific tasks and responsibilities.

The EU stresses that Albania needs to align with the EU *acquis* on market policy as concerns marketing plans and standards, labelling of products, and price reporting. The EU urges Albania to ensure fully functioning producer organisations and promote more strongly the advantages of such organisations. The EU underlines the importance of a strong administrative capacity and adequate market information collection and monitoring.

The EU urges Albania to align with the EU *acquis* on State aid in this chapter. The EU stresses the need to set up a system for state aid control and align the current fuel and gear subsidies with EU provisions. The EU invites Albania to provide comprehensive information to the Commission in this regard.

The EU notes Albania's partial alignment with the EU *acquis* on aquaculture. The EU encourages Albania to develop a standalone strategic document in the future, in which freshwater and land-based inland aquaculture can be better reflected and fully taking into account EU requirements. The EU also stresses that Albania needs to align with the EU *acquis* on alien and locally absent species in aquaculture.

The EU underlines that Albania will need to ratify international agreements prior to accession including the UN Agreement Relating to the Conservation and Management of Straddling Stocks and Highly Migratory Fish Stocks. The EU notes that Albania has bilateral fisheries agreements in place with third countries, notably with North Macedonia and Montenegro. The EU recalls its general position that fisheries agreements by acceding countries with third countries need, from the date of accession, to be managed by the EU and that Albania will have to withdraw, at the date of accession or the earliest possible date thereafter, from international fisheries agreements and organisations to which the EU is also a party, unless Albania's membership relates to matters other than fisheries. The EU acknowledges Albania's full alignment with all General Fisheries Commission for the Mediterranean (GFCM) measures and rules on discard plans and fishing opportunities.

The EU urges Albania to align with the EU *acquis* on maritime spatial planning. The EU notes alignment in this area has a demanding preparatory phase, including data gathering and stakeholder involvement.

The EU stresses the importance that Albania continues fighting corruption in the area of fisheries and aquaculture, through concrete measures for integrity, accountability and transparency including in public contracts, licensing and permits, and inspections. The EU underlines the importance for Albania to fully implement and credibly monitor these measures and to take corrective action, where problems would be reported. The EU also stresses that public support in fisheries and aquaculture has to be fraud-proof.

4. Chapter 22 – Regional Policy and Coordination of Structural Instruments

The EU notes Albania's partial alignment with the EU *acquis* in the area of legislative framework for Cohesion policy. The EU stresses that Albania needs to further enhance legislative alignment in relevant areas of the *acquis* such as state aid, public procurement, statistics, labour, internal control, audit, territorial classification among others, in order to ensure full alignment with the *acquis*. The EU underlines the importance of timely and efficient implementation of Chapter 22 Regional Policy Action Plan. The EU also stresses that Albania needs to further strengthen the functioning of the overall system to increase competition, compliance and professionalisation to develop an effective system for the prevention of corruption in public procurement in line with commitments undertaken in Chapter 5 Public Procurement. The EU further stresses that Albania needs to establish mechanisms to ensure co-financing of multi-annual programmes in the area of budget planning.

The EU notes Albania's partial level of alignment with the EU *acquis* in terms of institutional framework for implementation of Cohesion policy. The EU notes Albania's participation in Instrument for Pre-accession Assistance (IPA) and territorial cooperation programmes (e.g. Interreg) that contributed to the early development of implementation structures and mechanisms that can serve as a basis for future responsibilities under EU Cohesion policy. The EU stresses that Albania needs to address the remaining specific gaps regarding the definition of appropriate institutional structures and stakeholders, and the upgrading of institutional capacities in compliance with the applicable regulatory framework. The EU also stresses that Albania needs to guarantee an effective coordination system among the implementing institutions and partners and ensure meaningful collaborative achievements. The EU stresses the importance of guaranteeing clear assignment of authority and responsibility at all operational levels and for separation of the authorisation and control of commitments and payments, for execution of payments and for accounting for commitments and payments, and ensuring adequate separation of functions between the Managing Authority(ies) and Audit Authority(ies) and underlines that particular attention must be given to the independence of the Audit Authority.

The EU urges Albania to fully align with the EU *acquis* on administrative capacities at national and regional/local level and points out to the seriously concerning shortages of staff when it comes to the future implementation of Cohesion policy. The EU stresses that Albania needs to invest further in effective policy for staff retention, which should include remuneration stimulation, promotions, career development, among others and to build a solid comprehensive system of trainings directly related to planning, management, monitoring, evaluation, communication, and control of EU funds, which should target state and local authorities as well as stakeholders involved in the implementation of Cohesion policy. The EU underlines that in order to ensure a smooth transition from the IPA instrument to cohesion policy, appropriate steps need to be taken to ensure a good retention of staff/expertise and/or an efficient transfer of staff/expertise from authorities managing the IPA instrument and the Reform and Growth Facility and Reform Agenda of Albania to authorities responsible for programming/implementation of cohesion policy.

The EU stresses Albania needs to adopt individual organisational development strategies and capacity building strategies for all key institutions involved in the management, implementation, monitoring, evaluation, communication, audit and control based on a robust risk assessment of all bodies involved, including beneficiaries, where already identified.

The EU notes Albania's partial alignment with the EU *acquis* on programming. The EU stresses that Albania needs to resolve any issues of securing co-financing and ensure ownership of public and private bodies at national and sub-national levels prior to the start of Cohesion programme(s) and to ensure that the Partnership Agreement and programme(s) are approved in a timely manner to avoid delays in implementation. The EU invites Albania to ensure that the number and choice of priorities and measures included in the Partnership Agreement and programme(s), is based on a solid analysis and a pertinent socio-economic development prioritisation process, while taking proper account of managing capacities. The EU underlines the importance of adequate administrative capacity at national and regional/local level in this context. The EU underlines the importance of timely preparing a pipeline of high quality and mature projects. Particular attention must be given to the preparation of proposals for projects of strategic importance. The EU emphasizes the importance of an efficient implementation of the partnership principle, with regard to the preparation, management, financing, control, monitoring and evaluation of cohesion policy assistance.

The EU stresses the need for Albania to fully align with the EU *acquis* in the area of monitoring and evaluation. The EU also stresses that Albania needs to build on positive experience and design a monitoring system fit for Cohesion policy, including a fully functional electronic management and information system. Albania needs to invest more efforts and build more track record in evaluations, and to equally address certain gaps in monitoring and evaluation administrative capacities.

The EU stresses that Albania needs to fully align with the EU *acquis* on financial and management control. The EU recalls the need for Albania to comply, upon accession, with the applicable specific financial control provisions. The EU urges Albania to ensure a more robust implementation of the systems and a systematic follow-up of recommendations from internal and external audit. The EU underlines that the correct use, control, monitoring and evaluation of EU funding will constitute a key indicator of Albania's ability to implement the financial control *acquis*.

The EU stresses the importance that Albania continues fighting corruption in the area of Regional Policy, through concrete measures for integrity, accountability and transparency including in public contracts, licensing and permits, and inspections. The EU notes Albania's efforts, including practical measures through digitalisation. The EU stresses the need for Albania to effectively implement its legislative and operational system, to adopt a national anti-fraud strategy, and implement anti-fraud measures put in place in an effective manner.

5. Chapter 33 – Financial and Budgetary Provisions

The EU notes Albania's partial alignment with the EU *acquis* on traditional own resources and in terms of process and practice. The EU notes Albania's commitment to ensure legislation is in line with the *acquis* by the date of accession, in accordance with negotiated results under Chapter 29 – Customs union. The EU underlines that appropriate procedures and systems for accounting and making available of traditional own resources will have to be put in place. In particular, existing accounting systems will have to be brought in line with the EU requirements in order to ensure that separate accounts are kept, distinguishing between recovered/guaranteed and outstanding debts⁵. The EU underlines the importance of ensuring sufficient, independent internal and external control/audit of the collection, accounting and availability of traditional own resources.

⁵ As required by Council Regulation (EU, Euratom) No.609/2014

The EU underlines the distinction between VAT system as whole and VAT based resource itself. The EU underlines Albania needs to fully align with the EU *acquis* in the area of exemptions, in line with negotiated results under Chapter 16 – Taxation, and sectors of activity including public ones and to strengthen the administrative capacity to manage the VAT based resource. The EU underlines that Albania will need to develop the capacity to calculate accurately the Weighted Average Rate, including the calculation of any corrections to offset the negative impact of possible derogations on the VAT resource base.

The EU notes Albania's on-going methodological work aimed at the calculation of GNI, according to European standards. The EU notes that Albania has identified gaps in the statistical system and set a timeline of work to address those gaps. The EU recalls that Albania's legislation in the area of GNI is assessed under Cluster 1 – Fundamentals, Chapter 18- Statistics. The EU stresses that further alignment is necessary across most of the relevant *acquis* as is strengthening the administrative capacities and ensuring effective co-ordination between branches of the administration. The EU urges Albania to align with the EU *acquis* in the own resources based on non-recycled plastic packaging waste and to strengthen its statistical capacity.

The EU underlines, in addition to the need to further strengthening administrative capacity in the underlying policy areas (customs, taxation, statistics, financial control), the importance of establishing a fully operational coordination structure which will ensure the correct calculation, forecast, collection, payment and control of own resources and reporting to the EU for implementation of the own resources rules.

The EU takes note of Albania's request that following the accession to the EU Albania be granted with the funds from the Temporary Budgetary Compensations and Cash Flow Facility and that the amount of funds from the EU budget intended for Albania, will be equal to or greater than the amount of funds that Albania would pay to the European Union.

Without prejudice to the final EU position, the EU will return to this issue at a later stage in the negotiations.

The EU stresses the importance that Albania continues fighting corruption in the area of Financial and Budgetary Provisions, through concrete measures for integrity, accountability and transparency including in public contracts, licensing and permits, and inspections. The EU underlines the importance of Albania setting up effective instruments to combat customs duty and VAT fraud so that the financial interests of the EU can be protected.

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In view of the present state of Albania's preparations, and subject to Albania meeting the interim benchmarks on Cluster 1, the EU notes that, on the understanding that Albania has to continue to make progress in the alignment with and implementation of the EU *acquis* covered by the following chapters, and without prejudice to any additional conditions established in the further benchmarks defined for Cluster 5, these may only be provisionally closed once it is agreed by the EU that the following benchmarks are met:

Chapter 11 – Agriculture and Rural Development

- Albania submits an implementation plan for the establishment of an Integrated Administration and Control System (IACS) to be fully operational by the date of accession. The plan covers all actions required for the full implementation of each separate component of the system and their integration, including a presentation of the current status of preparation, the future targets indicated in a timetable, a plan of legislation still to be adopted, precise budgetary and human resources requirements and identification of possible shortcomings and respective solutions. Albania demonstrates it has made satisfactory progress towards the setting-up of the Integrated Administration and Control System (IACS) in line with the EU *acquis*, including the establishment of the Land Parcel Identification System (LPIS).

- Albania submits an implementation plan for the setting up of a paying agency to be fully operational by the date of accession. Taking into account the standards as regards independence, reliability, accountability and financial rectitude, the plan includes a presentation of the current status of preparation, the future targets indicated in a timetable, a plan of legislation still to be adopted, precise budgetary requirements, human resources needs including recruitment schedule and identification of possible shortcomings and respective solutions. Albania demonstrates it has made sufficient progress towards the setting up of this paying agency in line with the EU *acquis*.
- Albania has in place an effective financial management, monitoring and control system with sufficient capacities for control and audit with highest levels of integrity and ethics for control and audit, in order to fully use and benefit from EU agricultural and rural development funds upon accession. Albania has introduced effective remedial measures for the sound management of the IPARD support, including in the areas of internal management and control procedures and measures related to irregularities, fraud and corruption, and strengthened the integrity of the Agricultural and Rural Development Agency (ARDA).

Chapter 12 – Food Safety, Veterinary and Phytosanitary

- Albania submits to the Commission an approved national programme for the upgrading of establishments for products of animal origin and establishments for feed. As regards the milk sector, the national programme should also include a strategy for the use of non-compliant raw milk and for improving the quality of raw milk.
- Albania demonstrates sufficient progress in the use of animal by-products and in the establishment of a disposal chain in line with EU requirements.
- Albania demonstrates sufficient progress in establishing an EU-compliant system for official controls of live animals and animal products, including its funding.

- Albania demonstrates sufficient progress in the implementation and enforcement of rules related to animal health, in line with EU requirements (including animal identification and registration, disease surveillance, eradication programmes, disease control and emergency measures).
- Albania demonstrates sufficient progress in the implementation and enforcement of rules related to animal welfare, in line with EU requirements (including animal welfare at farm, during transport and at the time of killing).
- Albania demonstrates that it has set up and developed the relevant administrative capacities and infrastructures, making tangible progress in setting up a sustainable system of official controls, including Hazard Analysis Critical Control Point (HACCP) that includes the operation of official laboratories and border control posts in accordance with the *acquis*. Albania has demonstrated it will have sufficient administrative capacity to correctly implement and apply all the *acquis* covered by this chapter, in particular as regard animal and plant health, phytosanitary rules, and food safety and feed safety, upon accession and makes further progress in increasing its infrastructures, equipped with sufficient resources and staff performing official activities with impartiality and ethics, and without conflict of interest, in line with the requirements laid down in the EU *acquis*.

Chapter 13 – Fisheries and aquaculture

- Albania has an advanced level of alignment with the EU *acquis* on fisheries, as well as relevant international agreements, ensuring that Albania will be able to fully implement the Common Fisheries Policy upon accession.
- Albania puts in place the sufficient administrative, inspection and control capacity respecting highest levels of integrity and ethics as required by the Common Fisheries Policy and demonstrates that EU requirements will be fully met upon accession, in particular as regards inspection and control.

Chapter 22 – Regional Policy and Coordination of Structural Instruments

- Albania has demonstrated satisfactory implementation of EU pre-accession funding approved for indirect management, particularly for the components and sectors relevant for the implementation of cohesion policy.
- Albania submits to the Commission a comprehensive and good quality draft of its Partnership Agreement (PA) in line with a high-quality, detailed action plan and a related timetable, setting out clear objectives and timeframes in order to meet requirements deriving from the EU Cohesion Policy. The PA should contain arrangements to ensure alignment with relevant EU priorities and strategies, the selected thematic objectives, their justification, and the main expected results for each cohesion policy Fund. The PA should include indications of planned programmes, sources of funding, and a summary of the assessment of the fulfilment of applicable enabling conditions.
- Albania submits to the Commission a comprehensive and good quality draft project pipeline for implementation under cohesion policy. This draft should clearly demonstrate the availability of sufficient resources for the preparation and execution of the project pipeline.
- Albania has in place the necessary legal bases and consultation processes and enhanced capacities to ensure resources, commitment and ownership by all relevant public and private bodies at national and sub-national levels in the programming, implementation, monitoring and evaluation of cohesion measures in line with the European Code of Conduct on Partnership.

- Albania has in place a comprehensive institutional set-up, including organisational development and capacity building strategies for key institutions, for the programming, implementation, monitoring, evaluation, communication, audit and control of cohesion policy, with formally designated structures that have clearly defined functions, tasks, and responsibilities and demonstrates sufficient institutional and administrative capacity at all levels with high levels of integrity and ethics to manage cohesion policy programmes. Albania has in place a planning, monitoring, and evaluation system that is well aligned with EU requirements, supported by a fully functional electronic Management and Information System.
- Albania has in place an effective financial management, monitoring and control system with sufficient capacities and high levels of integrity and ethics for control and audit functions, to enable the full and effective use of EU funds from the date of accession. Albania adopts and implements the public accounting law in compliance with the International Accounting Standards for the Public Sector.

Chapter 33 – Financial and Budgetary Provisions

- Albania has a good level of alignment with the *acquis* and demonstrates sufficient statistical and administrative capacity to be able, from accession, to correctly calculate, forecast, account for, collect, pay, control and report to the EU on own resources in line with the *acquis*, including by implementing an action plan in order to sufficiently prepare and introduce procedural rules.

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Monitoring of progress in the alignment with and implementation of the EU *acquis* will continue throughout the negotiations. The EU underlines that it will devote particular attention to monitoring all specific issues mentioned above with a view to ensuring Albania's administrative capacity, its capacity to complete legal alignment in all chapters under this cluster, as well as further progress in implementation and enforcement. Particular consideration needs to be given to the links between the present cluster and other negotiation chapters. A final assessment of the conformity of Albania's legislation with the EU *acquis* as well as of its implementation capacity can only be made at a later stage of the negotiations. In addition to all the information the EU may require for the negotiations in this cluster, and which is to be provided to the Conference, the EU invites Albania to provide regularly detailed written information to the Stabilisation and Association Council on progress in the implementation of the EU *acquis*.

In view of all the above considerations, the Conference will have to return to this cluster at an appropriate moment.

Furthermore, the EU recalls that there may be new EU *acquis* between 2 September 2025 and the conclusion of the negotiations.
