



The Law on Strategic Investments in Albania between Transparency and Market Concentration: A Legal and Empirical Analysis in Light of the EU Report

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Abstract

Abstract. This paper examines the legal regime governing strategic investments in Albania, established by Law no. 55/2015 "On Strategic Investments in the Republic of Albania", focusing on the tension between encouraging investment and safeguarding transparency and fair competition. Through a dual approach — legal and empirical — the study analyses the normative framework regulating the approval procedures, the status of the strategic investor, and the administrative and fiscal incentives, comparing them with European Union standards. The empirical analysis draws on the register of decisions of the Strategic Investment Committee published by the Albanian Investment Development Agency, on official audit and monitoring reports, and on the findings of the EU Report on Albania, in order to assess whether the practical implementation of the law has led to market concentration in the hands of a limited number of operators. Findings show that, a decade after its adoption, the regime — repeatedly extended and currently in force until December 2026 — has produced 55 grants of strategic status with a declared value of roughly EUR 8.8 billion, concentrated overwhelmingly in the tourism and coastal real-estate sector (about 70 per cent of projects and 71 per cent of declared value) and dominated by domestic rather than foreign investors. The results suggest that the broad discretionary power of decision-making bodies and the lack of strong accountability mechanisms increase the risk of distorting competition and weaken public trust. The paper argues that strengthening transparency, publishing contracts, and ensuring independent oversight are preconditions for compliance with the EU acquis. In conclusion, it proposes concrete recommendations for reforming the law towards a more open, competitive, and transparent investment model.

Keywords: accountability; competition; strategic investments; rule of law; transparency

1. Introduction

When the Albanian Parliament adopted Law no. 55/2015 "*On Strategic Investments in the Republic of Albania*", it presented the instrument as temporary and exceptional: a fast line through which investments of particular importance to the national economy could be identified, assisted and accelerated. The law, in force since January 2016, created a special legal regime built around a Strategic Investment Committee chaired by the Prime Minister, a one-stop shop administered by the Albanian Investment Development Agency (AIDA), and a package of procedural and material advantages reserved for undertakings granted the status of strategic investor.¹ Applications for the status were initially to be accepted only until December 2018, a clause that underscored the exceptional character of the regime.

A decade later, little about the regime remains temporary or exceptional. The application window has been extended repeatedly — by Laws no. 67/2018, 102/2018, 89/2019, 142/2020, 130/2021 and 31/2024, and most recently in January 2025 — prolonging the regime until December 2026; around 55 undertakings have been granted strategic status, the majority concentrated in the tourism sector; and the beneficiaries are overwhelmingly domestic rather than foreign investors, notwithstanding the declared purpose of attracting foreign capital (Monitor, 2026a; U.S. Department of State, 2025). What was designed as an exception has consolidated into a durable, parallel track of economic administration, operating alongside — and in derogation from — the ordinary regulatory framework.

This evolution acquires particular significance in the context of Albania's accession process to the European Union. Accession negotiations were opened in July 2022; the cluster on competitiveness and inclusive growth, which contains the competition chapter, was opened in April 2025; and by November 2025 all negotiating clusters had been opened, with the government declaring its ambition to conclude negotiations by 2027. The European Commission's 2025 Report on Albania, published in November 2025, acknowledges this momentum but reiterates structural concerns regarding corruption, administrative discretion and transparency, and recommends that Albania draft and adopt a unified investment law addressing the challenges currently faced by investors (European Commission, 2025a). The strategic investment regime therefore stands at an inflection point: it will either be reformed into an accession-compatible instrument or persist as a source of friction with the *acquis*.

Within this background, the paper sets three questions. First, does the normative design of Law no. 55/2015 contain safeguards of transparency, accountability and competitive neutrality comparable to the standards of the European Union? Second, what does the implementation record of the law, read together with the findings of the EU Report, reveal the risk of market concentration in favor of a limited number of operators? Third, which reforms would reconcile the legitimate objective of attracting investment with the requirements of the EU *acquis*? The remainder of the paper reviews the relevant literature and analytical framework, sets out the methodology, analyses the normative framework of the law, presents the empirical findings, discusses their implications, and concludes with recommendations.

¹ The Strategic Investment Committee is chaired by the Prime Minister and includes the ministers responsible for the relevant strategic sectors and the State Advocate; the Albanian Investment Development Agency serves as its secretariat and as the one-stop shop for applicants (Law no. 55/2015).

2. Literature Review and Analytical Framework

2.1. Investment Incentives and the Governance Environment

A substantial body of research questions the effectiveness of investment incentives as instruments of development policy. Tax exemptions, discounted access to land and accelerated administrative treatment are frequently redundant — rewarding investments that would have occurred anyway — and their net effect depends decisively on the governance environment in which they are granted (James, 2013). Comparative work on incentive regimes similarly concludes that transparency, rigorous cost accounting and periodic evaluation are the minimum conditions under which incentives can serve the public interest rather than transfer rents to well-connected insiders (Tavares-Lehmann et al., 2016).

The Western Balkan context sharpens these concerns. Foreign direct investment in the region has historically been lower, more market-seeking and less export-oriented than in Central and Eastern Europe, and institutional quality — not the generosity of incentives — has been identified as the binding constraint on investment of higher quality (Estrin & Uvalic, 2014). Regional policy assessments likewise emphasize that investment promotion in Southeast Europe suffers from fragmented legal frameworks, weak monitoring of granted incentives and limited evaluation capacity (OECD, 2021).

2.2. Accountability, Europeanisation and State Aid Control

To assess the governance of the Albanian regime, the paper employs the classic accountability framework developed by Bovens (2007), under which accountability presupposes three elements: the obligation of the decision-maker to provide information, the possibility for a forum to debate and question that information, and the capacity of the forum to attach consequences. Where any of the three elements is missing — where information is not published, where no independent forum scrutinizes decisions, or where no sanction follows misconduct — discretionary power operates unchecked.

The Europeanisation literature adds a cautionary lens. Formal legal alignment with EU requirements in new member states and candidate countries has often produced rules that remain "empty shells", adopted on paper but not applied in administrative practice (Dimitrova, 2010). In Southeastern Europe in particular, external rule-of-law promotion has repeatedly failed to alter underlying patterns of discretionary governance (Mendelski, 2015). Finally, the discipline of State aid control — a distinctive feature of the EU legal order that treats selective public advantages to undertakings as a matter of supranational scrutiny (Blauberger, 2009) — is directly relevant: under Article 71 of the Stabilization and Association Agreement, Albania has undertaken to apply State aid rules equivalent to those of the Union and to entrust their enforcement to an operationally independent authority (Stabilization and Association Agreement, 2009).

2.3. Albanian-language Studies and Reports of National Authorities

The regime has also generated a body of Albanian-language analysis that international scholarship has largely overlooked. Three strands can be distinguished. The first consists of reports by national oversight and advisory bodies. The Supreme State Audit Institution (KLSH), in its financial and compliance audit of AIDA covering 2018 and the first eight months of 2019, found that the documentation submitted for the grant of the "special procedure" status to the project "Jala Entertainment Park" contained data that were contradictory, untrue and inconsistent with the real legal status of the property, concluded that the applicant did not meet the statutory conditions, and recommended that AIDA verify the file

and report to the Committee with a view to revocation (KLSH, 2019). The Albanian Investment Council, in a working document on the legal framework for investments, catalogued the overlapping laws on foreign investment, strategic investment and public–private partnerships and recommended the preparation of a new unified investment law (Këshilli i Investimeve, 2018) — a recommendation that anticipates by seven years the one formulated by the European Commission (2025a). The Competition Authority, for its part, reports annually on the enforcement of competition law and on the parallel State aid function, but its annual report for 2024 records no *ex ante* involvement in the assessment of strategic investment decisions (Autoriteti i Konkurrencës, 2025); the Ministry of Economy's monitoring report on the Business and Investment Development Strategy acknowledges that an operationally independent State aid authority remains to be established, with a target date of December 2025 (Ministria e Ekonomisë, Kulturës dhe Inovacionit, 2025).

The second strand consists of civil-society monitoring. Two reports by Qëndresa Qytetare, prepared with the support of the National Endowment for Democracy, examined the operation of the law in its first years and in the tourism sector respectively. The 2021 report concluded that the law had not functioned as an incentive for attracting foreign investment, that investor interest had concentrated almost exclusively in coastal accommodation structures, and that the decisions of the Committee were not all published (Qëndresa Qytetare, 2021). The 2023 report documented the transfer of forest-fund parcels and other public immovables to approved tourism projects and the tension between strategic status and protected areas (Qëndresa Qytetare, 2023).

The third strand is investigative economic journalism based on the primary record. On the tenth anniversary of the regime, Revista Monitor compiled the full set of Committee decisions and produced the most complete descriptive account available: 55 grants of status between 2016 and mid-2026, a declared investment value of EUR 8.83 billion and 46,566 promised jobs, with tourism and real estate accounting for 39 projects (Monitor, 2026a). A companion analysis estimated that the 20 tourism beneficiaries in the Vlora region had received about 1,000 hectares of State land, while EUR 1.1 billion of budget funds had been spent in 2016–2025 on supporting infrastructure in that region alone (Monitor, 2026b). These sources are not peer-reviewed, but they are grounded in the same official decisions on which this paper relies and are used here as triangulating evidence rather than as authorities in their own right.

While the strategic investment regime has thus been intensely examined in Albanian public and institutional discourse, it remains under-examined in the academic literature, particularly in light of the empirical record now available after a decade of implementation and the findings of the 2025 EU Report. This paper aims to fill that gap by combining doctrinal analysis of the normative framework with a documentary empirical analysis of its implementation.

3. Methodology

3.1. Doctrinal Component

The study adopts a dual methodology. The first component is doctrinal: a systematic legal analysis of Law no. 55/2015 and its subsequent amendments, based on the consolidated text of the law, focusing on the approval procedures, the institutional architecture, the content of the strategic investor status, and the administrative and material support measures. The normative framework is assessed against three benchmarks drawn from EU standards: transparency of decision-making, accountability in the sense of Bovens (2007), and competitive neutrality as reflected in the State aid disciplines of the Stabilization and Association Agreement.

3.2. Empirical Component: Source Selection and Triangulation

The second component is empirical and documentary. Because the law does not require the publication of investment contracts, and because the electronic register of strategic investments foreseen by Article 5 of the law is not publicly accessible, no single official dataset disaggregates each approved project, the incentives granted and their fiscal cost. The analysis therefore proceeds in three steps. In the first step, the primary record is reconstructed from the decisions of the Strategic Investment Committee published by AIDA: the 88 decisions available on the Agency's website for the period July 2016–October 2023 were downloaded and coded by decision number, date, project, procedure (assisted, special, or "project with strategic potential") and outcome (grant, refusal, extension, amendment, annulment); decisions adopted after October 2023 and published individually by AIDA — notably the resort on Sazan island (30 December 2024), the "Vertigo Free Zone – Durrës Industrial Park" (21 November 2024) and "Anima" (10 April 2025) — were added to the register (AIDA, 2024; Komiteti i Investimeve Strategjike, 2024a, 2024b, 2025). The resulting register is reproduced in Appendix A.

In the second step, the coded register is cross-checked against the aggregate compilation published by Monitor (2026a), which is itself derived from the same decisions and extends the count to mid-2026, and against the qualitative assessment of the U.S. Department of State (2025). Divergences are reported rather than resolved: the U.S. assessment refers to "more than sixty" approvals, whereas a count of distinct projects yields 55; the difference is attributable to the inclusion, in the former, of amending decisions, phase extensions and re-approvals of the same project.

In the third step, the implementation record so established is read against the authoritative monitoring sources for the period 2016–2025 selected according to two criteria: institutional standing (official EU, national audit and government sources are preferred) and independence from the decision-maker (the executive's own promotional material is used only for factual data, never for evaluation). The sources retained are the European Commission's 2025 Report on Albania and the country chapter on Albania in the 2025 Rule of Law Report (European Commission, 2025a, 2025b), the KLSH audit of AIDA (KLSH, 2019), the 2025 Investment Climate Statement of the U.S. Department of State (2025), independent rule-of-law monitoring (Transparency International EU, 2026), civil-society monitoring (Qëndresa Qytetare, 2021, 2023) and documented policy analysis of the regime's implementation (CELIS Institute, 2025; China-CEE Institute, 2025). A finding is treated as established only where it is supported by at least two sources of different institutional origin.

3.3. Limitations

Two limitations follow from this design. First, the analysis identifies patterns and risks; it does not make causal claims about the effect of individual approval decisions on market structure, which would require transaction-level data that are not publicly available. Second, the reliance on official and secondary documentary sources means that the empirical picture is conservative: it captures only what monitoring bodies have been able to observe, and the opacity of the regime — itself a central finding — implies that the full extent of the phenomena described may be understated. In particular, the register records the applicant company but not its beneficial owners, so that the share of foreign as opposed to domestic capital can be described qualitatively but not measured.

4. The Normative Framework of Law No. 55/2015

4.1. Scope, Procedures and Institutional Architecture

Law no. 55/2015 applies to domestic and foreign investments in sectors designated as strategic: energy and mining; transport, electronic communications infrastructure and urban waste; tourism; agriculture and fisheries; technology and economic development areas; and development priority areas, with the possibility of extending the regime to other sectors by decision of the Council of Ministers (Law no. 55/2015). Eligibility is defined primarily by monetary thresholds that vary by sector and by procedural track: in the network industries — energy and mining, transport, electronic communications and urban waste — investments of EUR 30 million or more qualify for the "assisted procedure", while investments of EUR 50 million or more qualify for the "special procedure"; in tourism an investment of EUR 5 million creating at least 80 jobs suffices for the assisted procedure, and in agriculture EUR 3 million and 50 jobs (Law no. 55/2015; Monitor, 2025; U.S. Department of State, 2025).

The institutional architecture concentrates decision-making in the executive. The status of strategic investment or strategic investor is granted by the Strategic Investment Committee, a collegial body chaired by the Prime Minister and composed of the Deputy Prime Minister, the ministers responsible for the relevant sectors and the State Advocate. AIDA acts as the Committee's secretariat and as a "single window" through which the investor files the application, completes the documentation within short statutory deadlines, and receives the decision (Law no. 55/2015). The Competition Authority is not a required participant in the approval procedure: the operational group evaluating applications may solicit its opinion on a case-by-case basis, and a preliminary opinion of the Competition Authority and the State Aid Commission is required only where the State itself participates as co-investor in the project; in all other cases the law imposes no obligation to consult and attaches no binding force to such an opinion (Law no. 55/2015; AIDA, 2023).

4.2. The Strategic Investor Status and Its Advantages

The status confers two families of advantages. The first is procedural: priority and accelerated treatment in the issuance of permits, licenses and authorizations; the possibility of unifying contracting authorities and merging decision-making procedures for complex projects; and dedicated administrative assistance throughout implementation. The second is material: the State may support approved projects with assistive infrastructure — roads, water supply, electricity and telecommunications — built at public expense; State-owned immovable property, including forest and agricultural land and the coastline, may be made available for the realization of the project; land consolidation procedures may be activated; and, for projects under the special procedure, expropriation instruments may be mobilized in the investor's favor (Law no. 55/2015; UNCTAD, 2016).

The law itself declares that support measures shall apply in compliance with "free and effective market competition" and shall not eliminate the investor's operational risk (Law no. 55/2015). Yet this declaration is not operationalized: no provision of the law requires a competitive assessment before the grant of the status, a market test for the allocation of public land, a quantification of the aid element embedded in the support measures, or the publication of the investment contracts through which the advantages are conferred.

4.3. Assessment Against Eu Standards

Measured against the three benchmarks set out above, the design of the regime is deficient in each respect. As regards transparency, neither the reasoned decisions of the Committee nor the

investment contracts and their annexes are subject to mandatory publication, so the essential information — who receives what advantage, at what public cost, against which commitments — is not systematically available; the decisions that AIDA does publish are published at its discretion, and the Qëndresa Qytetare (2021) report found the set incomplete. As regards accountability, the body granting the status is the apex of the executive itself, chaired by the Prime Minister; there is no independent forum with the mandate to question individual decisions, and no consequence attaches to the grant of a status later shown to be unjustified — the KLSH finding on "Jala Entertainment Park" was followed not by revocation but by a further extension of the same status in 2023 (KLSH, 2019; AIDA, 2024). As regards competitive neutrality, the advantages are selective by design — they accrue only to undertakings admitted to the status — and yet the regime contains no mechanism linking the grant of those advantages to the State aid disciplines that Albania has assumed under the Stabilization and Association Agreement.² The result is a legal architecture in which broad discretion is exercised at the highest political level, over selective economic advantages, without the informational, deliberative or sanctioning elements that accountability requires (Bovens, 2007).

5. Empirical Findings

5.1. The Implementation Record

The implementation record inverts the declared rationale of the law. Between July 2016 and mid-2026 the Committee granted strategic status to 55 projects with a declared investment value of about EUR 8.83 billion and 46,566 promised jobs; 39 of these projects (70 per cent) are in tourism, hospitality, marinas and coastal real estate, which also account for 71 per cent of declared value, while industry and economic zones (six projects), agriculture (five) and energy (four) share the remainder (Monitor, 2026a). The beneficiaries are predominantly domestic investors, with very few foreign investors having obtained the status despite the law's explicit FDI-attraction purpose (U.S. Department of State, 2025; Qëndresa Qytetare, 2021). A regime justified as an instrument for attracting foreign capital into strategic sectors has functioned, in practice, chiefly as a channel of selective advantages for domestic operators in a single, land-intensive sector. Table 1 summarizes the key implementation indicators that can be established from the triangulated documentary record.

Table 1. Key implementation indicators of Law no. 55/2015 (2016–2026)

Indicator	Finding	Source
Grants of strategic status	About 55 distinct projects (44 grant decisions in the AIDA register to October 2023, further grants in 2024–2026); U.S. assessment: "more than 60" including amending decisions	AIDA (2024); Monitor (2026a); U.S. Department of State (2025)
Refusals	24 refusal decisions 2017–2023, concentrated in energy (seven photovoltaic projects refused on 30 October 2023)	AIDA (2024)
Declared value and jobs	EUR 8.83 billion; 46,566 jobs; three projects above EUR 500 million hold 53% of declared value	Monitor (2026a)
Sectoral distribution	Tourism and real estate 39 projects (70%), 71% of value; industry/TEDA 6; agriculture 5; energy 4	Monitor (2026a); AIDA (2024)

² Article 71 of the Stabilization and Association Agreement commits Albania to apply State aid disciplines based on the criteria arising from the application of the competition rules of the Union, and to establish an operationally independent State aid authority (Stabilization and Association Agreement, 2009).

Indicator	Finding	Source
Regional distribution	Vlora region at least 24 projects (40%), of which 20 in tourism; about 1,000 ha of State land made available	Monitor (2026a, 2026b)
Origin of beneficiaries	Dominated by domestic applicants; identifiable foreign applicants a small minority	U.S. Department of State (2025); Qëndresa Qytetare (2021); AIDA (2024)
Application window	December 2018 deadline extended six times; currently December 2026 (amendment of January 2025)	Law no. 55/2015; Monitor (2026a)
Role of the Competition Authority	Consultative only, case by case; binding opinion required only for State co-investment	Law no. 55/2015; AIDA (2023)
Publication of investment contracts	Not required by the law; decisions published at AIDA's discretion	Law no. 55/2015; Qëndresa Qytetare (2021)
Verification of eligibility and support measures	KLSH audit: applicant for "Jala Entertainment Park" did not meet statutory conditions; capacity gaps at AIDA in verifying public support	KLSH (2019); China-CEE Institute (2025)
EU Report 2025 recommendation	Draft and adopt a unified investment law; secure legally sound property titles	European Commission (2025a)

Source: author's compilation based on the cited sources.

5.2. Descriptive Statistics: Time Trend, Sectoral Breakdown and Origin of Beneficiaries

Figure 1 plots the annual number of Committee decisions granting strategic status to a new project, together with refusals, as recorded in the AIDA register and in the individually published decisions of 2024–2025. Two features stand out. First, the regime was used sparingly in its "temporary" phase — three grants a year in 2016–2018 — and then intensively after each extension: 2021, the year following the amendment by Law no. 142/2020, alone accounts for 16 grants, more than the first four years combined. Second, refusals are not evenly distributed across sectors: of the 24 refusals recorded, most concern energy and agriculture, and seven photovoltaic projects were refused in a single session on 30 October 2023, whereas tourism applications were overwhelmingly successful. The Committee has thus exercised its discretion selectively, and the selection has run in the direction of the coastal real-estate model rather than of the productive and export-oriented sectors that the incentives literature associates with higher-quality investment (Estrin & Uvalic, 2014).

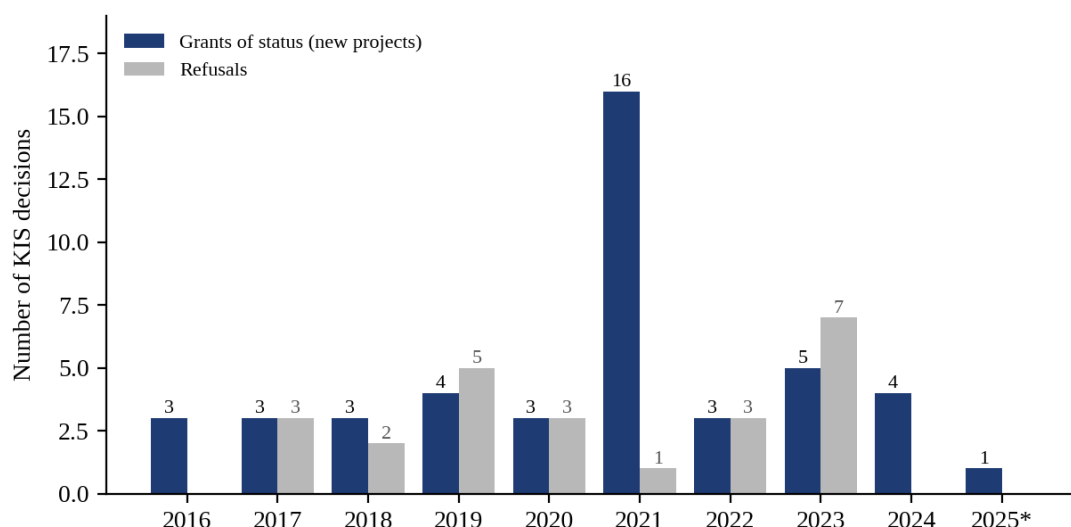


Figure 1. Decisions of the Strategic Investment Committee granting strategic status to new projects and refusing applications, by year, 2016–2025 (2025 partial).

Source: Author's coding of AIDA (2024) and Komiteti i Investimeve Strategjike (2024a, 2024b, 2025).

Figure 2 shows the sectoral breakdown of the 55 projects granted status up to mid-2026, by number and by declared value. The concentration is stronger in value than in numbers: tourism and real estate hold 39 projects and EUR 6.31 billion, energy only four projects but EUR 1.92 billion, while industry, economic zones and agriculture — the sectors with the highest declared employment per euro invested — account for eleven projects and less than EUR 400 million. Declared capital per promised job ranges from about EUR 28,700 in industry and economic zones and EUR 53,900 in agriculture to about EUR 257,000 in tourism and EUR 1.2 million in energy (Monitor, 2026a).

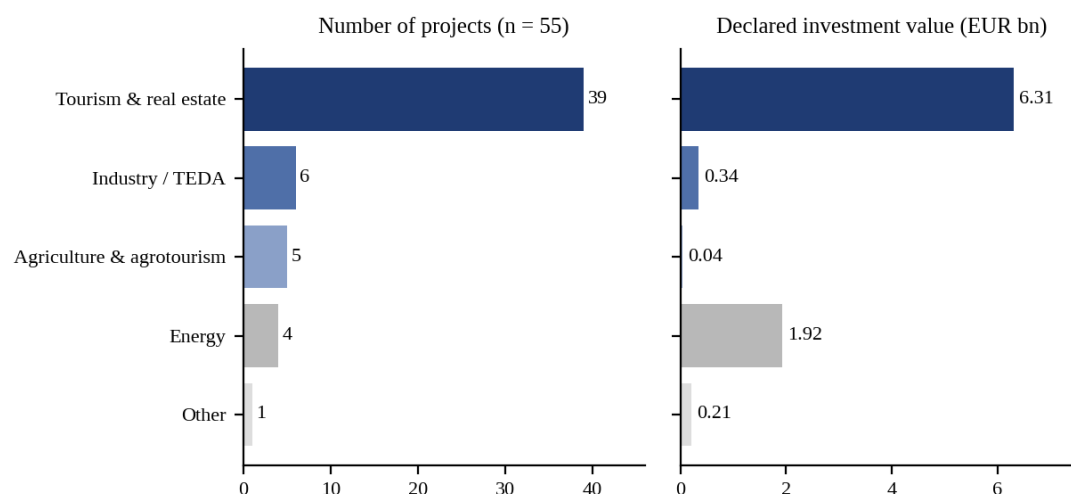


Figure 2. Sectoral distribution of the 55 projects granted strategic status, 2016–2026, by number of projects and declared investment value.

Source: author's elaboration of Monitor (2026a), based on Committee decisions; "other" is the residual between the reported total and the four sectoral subtotals.

The origin of beneficiaries cannot be measured with the same precision, because the Committee's decisions identify the applicant company and its registration number but not its beneficial owners. Table 2 therefore reports what can be established from the register: among

the grants recorded, the applicants identifiable from the decision itself as foreign-registered or foreign-controlled are a small minority — the Korean automotive supplier Yura Corporation (2019), the Saudi Al Shiddi Trading for "Tirana City Center" (2020, annulled in 2023), and the U.S.-registered Atlantic Incubation Partners LLC for the Sazan island resort (2024) — while the large majority of applicants are Albanian limited liability companies, many of them incorporated shortly before the application (AIDA, 2024; Komiteti i Investimeve Strategjike, 2024a). This is consistent with the qualitative assessments of the U.S. Department of State (2025) and of Qëndresa Qytetare (2021). The finding should be read with the caveat, itself a governance deficit, that domestic registration does not exclude foreign ultimate ownership, nor does it reveal politically exposed persons behind the applicant.

Table 2. Origin of applicants granted strategic status, as identifiable from the published decisions

Category	Examples (year of grant)	Observation
Foreign-registered or foreign-controlled applicants	Yura Corporation Albania (2019); Al Shiddi Trading, "Tirana City Center" (2020, annulled 2023); Atlantic Incubation Partners LLC, Sazan resort (2024)	A small minority of grants; two of the three are outside tourism
Domestic applicants (Albanian sh.p.k. or sh.a.)	Green Coast (2016, 2020, 2021), Kep Merli (2019), Marina Hills (2022), The Cliffs (2023), Anima (2025) and the large majority of tourism projects	Predominant category; beneficial ownership not disclosed in the decision
Public applicants	TEDA Kashar/Tirana proposed by the Municipality of Tirana (2020–2021)	Public projects seeking the fast-track status

Source: author's coding of AIDA (2024) and Komiteti i Investimeve Strategjike (2024a, 2025).

The temporal dynamics reinforce the pattern. Conceived with a three-year application window expiring in December 2018, the regime has been extended six times, most recently in January 2025 until December 2026 (Monitor, 2026a). Each extension has been adopted as an ordinary amendment, without a published evaluation of the costs and benefits of the incentives already granted — precisely the evaluative discipline that the incentives literature identifies as indispensable (James, 2013; Tavares-Lehmann et al., 2016). Temporariness has thus become legislative fiction: the exception has been institutionalized.

5.3. Transparency and Accountability Deficits in Practice

Documented analysis of the regime's operation identifies recurrent governance concerns: the grant of the status to politically exposed domestic beneficiaries; the absence of open, competitive processes for the allocation of public land and coastal assets connected to approved projects; difficulties in identifying the beneficial owners behind approved companies; and the lack of administrative capacity, within AIDA, to verify whether the public support measures financed for strategic projects have actually been implemented as planned (China-CEE Institute, 2025). The national audit record corroborates these concerns from the inside: the KLSH audit found that the file on which the special-procedure status of "Jala Entertainment Park" had been granted contained untrue and contradictory information from the applicant and from public institutions, including the Municipality of Himara and the Vlora cadaster, and that AIDA had not verified it (KLSH, 2019). Civil-society monitoring adds that forest-fund parcels were removed for at least four tourism projects and that the National Forest Agency was excluded from the process (Qëndresa Qytetare, 2023). These observations converge with the

design deficiencies identified above: where publication is not mandatory and oversight is not independent, the space between formal criteria and actual allocation is filled by discretion.

5.4. The Findings of the Eu Report

The European Commission's 2025 Report situates these sector-specific concerns within a broader diagnostic. In the area of enterprise and industrial policy, the Commission assesses Albania as between a moderate and a good level of preparation and recommends, as a priority for the coming year, the drafting and adoption of a unified investment law addressing the challenges faced by investors and securing legally sound property titles (European Commission, 2025a). In the fundamentals area, the Report finds that corruption remains widespread across vulnerable sectors, that the transparency and effectiveness of asset-declaration verification still need to be addressed, and that the practice of revising the budget through normative acts of the executive continues — findings that describe, in general terms, the same pattern of executive discretion and weak ex post control that characterizes the strategic investment regime (European Commission, 2025a).

5.5. The Regulatory Trajectory

Two recent developments define the trajectory within which reform will occur. First, in July 2025 the Assembly adopted Law no. 56/2025, amending the 1993 Law on Foreign Investments to introduce, for the first time, a screening mechanism for foreign direct investments by reference to Regulation (EU) 2019/452; the amendment was adopted without prior public consultation, even though stakeholders had been awaiting a comprehensive draft law expected to merge the 1993 law and Law no. 55/2015 into a unified investment framework by the end of 2026 (CELIS Institute, 2025). Second, the 2025 EU Report's recommendation of a unified investment law converges with that legislative agenda and with the earlier recommendation of the Investment Council (European Commission, 2025a; Këshilli i Investimeve, 2018). The window for reform is therefore open — but the procedural pattern of the July 2025 amendment, adopted without consultation, illustrates the risk that consolidation may reproduce, rather than correct, the governance deficits of the existing regime.

6. Discussion

Read together, the normative analysis and the empirical record support three interpretive conclusions. The first concerns the mechanism linking discretion to concentration. Under the accountability framework applied here, the regime fails all three tests: information (contracts and reasoned decisions are not published), discussion (no independent forum reviews individual grants), and consequences (no sanction or claw back attaches to unjustified grants — the "Jala" case being the paradigmatic example) (Bovens, 2007; KLSH, 2019). In such an environment, selective advantages gravitate towards insiders. The observed dominance of domestic beneficiaries — in a regime advertised as an FDI instrument — is exactly the allocation pattern that the incentives literature predicts where governance safeguards are absent (James, 2013; Estrin & Uvalic, 2014).

The second conclusion concerns market structure. The concentration of approved projects in tourism, combined with privileged access to public land, coastal assets and publicly financed infrastructure, confers on status-holders a durable cost advantage over competitors outside the regime. The figures are not marginal: about 1,000 hectares of State land in the Vlora region alone (Monitor, 2026b). In a land-intensive sector where location is the scarce resource, the discretionary allocation of that resource is not a neutral administrative act: it shapes the structure of the market for years, raises entry barriers for non-status operators, and risks foreclosing development opportunities to a limited circle of undertakings. The asymmetry

between the near-automatic success of tourism applications and the wholesale refusal of photovoltaic applications in 2023 (Figure 1) suggests, moreover, that the Committee has acted as a de facto sectoral planner without the analytical apparatus or the accountability that such a role would require.

The third conclusion concerns the accession process. With the competition cluster opened in April 2025 and the Government targeting the conclusion of negotiations by 2027, the insulation of strategic investments from competition scrutiny is increasingly untenable: the State aid disciplines of the Stabilization and Association Agreement apply precisely to selective advantages of the kind the regime confers, the independent State aid authority they require is still pending (Ministria e Ekonomisë, Kulturës dhe Inovacionit, 2025), and the credibility of Albania's commitments will be tested against implementation, not legislation (Stabilization and Association Agreement, 2009; Dimitrova, 2010; Mendelski, 2015). The regional benchmark has, moreover, risen: Montenegro's provisional closure of the competition chapter in June 2026 demonstrates that Western Balkan candidates can meet these standards — and will be compared against each other.

A counterargument deserves acknowledgment. In administrations with weak ordinary procedures, fast-track regimes may have genuine value: they reduce bureaucratic friction that deters serious investors. The objection, however, conflicts with opacity. Nothing in the logic of administrative acceleration requires secret contracts, unpublished decisions or the exclusion of the Competition Authority. A regime can be fast and transparent; the publication of contracts does not delay permits. What the present design accelerates is not only the investment — it is the conversion of public assets into private advantage without scrutiny. Preserving the first function while eliminating the second is precisely the task of reform.

7. Conclusion

This paper set out to assess the Albanian strategic investment regime along the tension announced in its title: between encouraging investment and safeguarding transparency and fair competition. The doctrinal analysis shows that Law no. 55/2015 concentrates the grant of selective advantages in an executive body chaired by the Prime Minister, without mandatory publication of contracts, without independent review, and without any operational link to the State aid disciplines Albania has assumed. The empirical record shows a regime extended far beyond its intended life, producing some 55 approved projects worth a declared EUR 8.8 billion, concentrated in tourism and dominated by domestic investors — an allocation pattern consistent with the risk of market concentration in a limited number of operators, and inconsistent with the regime's declared purpose. The 2025 EU Report, while not adjudicating individual cases, both documents the surrounding governance weaknesses and identifies the reform vehicle: a unified investment law.

Seven recommendations are proposed for consideration. First, the integral publication of the decisions of the Strategic Investment Committee and of the investment contracts and their annexes, with narrowly defined redactions. Second, a public register of all incentives and support measures granted per project, quantifying the value of land made available, infrastructure financed and fiscal advantages conferred — the register foreseen by Article 5 of the law, made public. Third, a mandatory, binding ex ante opinion of the Competition Authority and of the State aid authority before any grant. Fourth, disclosure of beneficial ownership as a condition of eligibility. Fifth, independent ex post evaluation — by the Supreme State Audit Institution and through parliamentary oversight — of each project's delivered outcomes against its commitments. Sixth, contractual claw back clauses recovering advantages where commitments are not met, and the actual revocation of the status where, as in the case

documented by the KLSH, eligibility was obtained on the basis of untrue information. Seventh, the discontinuation of blanket extensions and the absorption of the regime into the unified investment law recommended by the European Commission, designed from the outset in conformity with the competition acquis.

The conclusion is not that Albania should abandon the ambition of attracting strategic investment, but that the current instrument undermines that very ambition: opacity deters precisely the high-quality foreign investors the law was meant to attract, while concentrating advantages domestically. Transparency, publication of contracts and independent oversight are not obstacles to investment policy; on the eve of the decisive phase of accession negotiations, they are its preconditions.

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Appendix a

Table A1. Register of decisions of the Strategic Investment Committee granting strategic status to new projects, 2016–2025, as published by AIDA

Date	Decision	Project	Procedure	Sector
14.07.2016	1/15	New Born (Vala Mar), Hamallaj	Assisted	Tourism
14.07.2016	2/13	Green Coast, Palasë	Special	Tourism
05.12.2016	7/1	Albpanel	Assisted	Industry
20.11.2017	21/2	Agrocon	Assisted	Agriculture
20.11.2017	24/2	Gone Perivol	Assisted	Tourism
20.11.2017	25/2	San Pietro	Special	Tourism
14.02.2018	30/4	Gas Power Plant Korça (conditional)	Special	Energy
19.04.2018	4/4	Aquaponic farm, Remas (Aquatiq)	Assisted	Agriculture
19.04.2018	6/4	Agroiliria	Assisted	Agriculture
12.02.2019	14/3	Automotive electrical systems plant (Yura Corporation)	Assisted	Industry
04.03.2019	15/3	White Rocks (Eurocol)	Assisted	Tourism
04.03.2019	27/5	Kep Merli Eco Resort	Special	Tourism
02.09.2019	2/3	Dhërmi Resort (Startek)	Assisted	Tourism

Date	Decision	Project	Procedure	Sector
04.05.2020	1/4	TEDA Kashar (Municipality of Tirana)	Strategic potential	Economic zone
24.06.2020	36/6	Rural tourism complex Lajthiza	Assisted	Tourism
27.07.2020	2/7	Tirana City Center (Al Shiddi) — annulled 01.08.2023	Special	Real estate
04.02.2021	9/8	Jonian Heaven	Strategic potential	Tourism
04.02.2021	10/8	Coast to Coast	Special	Tourism
04.02.2021	11/6	Wind park (Biopower Green Energy)	Special	Energy
04.02.2021	12/1	Green Coast 2	Special	Tourism
04.02.2021	14/6	Hotel Chaonians Deluxe	Assisted	Tourism
04.02.2021	15/6	Delta Falaise Resort & Village	Special	Tourism
29.03.2021	1/5	Banyan Tree Hotel Resort	Assisted	Tourism
29.03.2021	3/5	Dreamades Luxury Suites	Assisted	Tourism
29.03.2021	4/3	Marina di Valona	Special	Tourism
15.07.2021	1/8	TEDA Tirana	Special	Economic zone
15.07.2021	6/5	Cape of Rodon, phase 1	Special	Tourism
15.07.2021	7/6	Drymades Beach Resort	Assisted	Tourism
15.07.2021	19/6	Silver Sand Resort	Special	Tourism
02.12.2021	8/6	Manastir Resort	Assisted	Tourism
02.12.2021	11/9	Mediterranean Wave	Special	Tourism
02.12.2021	14/6	Durrës Yachts & Marina	Special	Tourism
05.04.2022	10/14	Marina Hills	Special	Tourism
18.07.2022	17/5	Zagroturizëm	Assisted	Agriculture
18.07.2022	22/9	Tourist resort, Lalzi Bay	Special	Tourism
01.02.2023	13/8	Apple & strawberry plantation Sheqeras	Assisted	Agriculture
01.02.2023	29/4	Green House Korça Resort	Assisted	Tourism
06.06.2023	30/8	Solar 190 MW and wind 636 MW park, Tropojë	Strategic potential	Energy
01.08.2023	1/4	Dajti Express Resort	Assisted	Tourism
01.08.2023	10/8	The Cliffs	Special	Tourism
21.11.2024	22	Vertigo Free Zone – Durrës Industrial Park	Assisted	Economic zone
30.12.2024	23	Sazan Island Tourist Resort (Atlantic Incubation Partners)	Special	Tourism
10.04.2025	1	Anima	Special	Tourism / real estate

Source: Author's coding of AIDA (2024) and Komiteti i Investimeve Strategjike (2024a, 2024b, 2025). Amending, extending and re-approval decisions concerning projects already listed (e.g., Green Coast 2020, Delta Falaise phases 2–5 in 2021, aquaponic farm 2021, San Pietro 2020 and 2023) are omitted. Decisions adopted between October 2023 and November 2024 and after April 2025 that have not been published on the AIDA register are not listed; Monitor (2026a) counts 55 grants to mid-2026.