



Research Article

© 2024 Erisa Xhixho and Henris Balliu

This is an open access article licensed under the Creative Commons Attribution-NonCommercial 4.0 International License (<https://creativecommons.org/licenses/by-nc/4.0/>)

Money laundering - Harmonization of Albanian legislation in the framework of EU membership

Dr. Erisa Xhixho

University of Tirana, Albania

Dr. Henris Balliu

University of Tirana, Albania

DOI: <https://doi.org/10.2478/bjir-2024-0006>

Abstract

The 2022 strategic report on international narcotics control of the United States Department of State, estimates that Albania remains a country susceptible to money laundering, due to corruption, the presence of organized crime networks, as well as deficiencies in legislation and supervision.¹ Whereas, according to the Basel Index for the risks of money laundering and terrorist financing, Albania ranks 93rd out of 152 jurisdictions, with 4.75 out of 10 points.² The main sources of money laundering are related to drug trafficking and other organized crime activities, while the most widespread methods of money laundering are construction, real estate and business development projects.³ Despite the reform of justice and efforts to improve the fight against money laundering, the country faces challenges in terms of capacities, insufficient supervision of some sectors, as well as the lack of cooperation between law enforcement and supervisory bodies. Albania is in the conditions of insufficient control mechanisms, in relation to the size of informal money.

Referring to the report of the European Commission for Albania of 2023, the problems related to money laundering in the country remains an area that requires attention and further

¹ United States Department of State (Bureau of International Narcotics and Law Enforcement Affairs), "International Narcotics Control Strategy Report, Volume II: Money Laundering", 2022, pg.35. <https://www.state.gov/wp-content/uploads/2022/03/22-00768-INCSR-2022-Vol-2.pdf> (Last accessed on 25.10.2023)

² Basel AML Index, "Global ranking in 2023" <https://index.baselgovernance.org/ranking> (Last accessed on 13.11.2023)

Note: The Basel Index measures the risk of money laundering and terrorist financing in jurisdictions around the world. The ranking comes in descending order, from the country with the highest risk (country 1) to the country with the lowest risk for money laundering and terrorist financing (country 152). Meanwhile, the evaluation points are from "0 = little risk" to "10 = high risk".

³ United States Department of State (Bureau of International Narcotics and Law Enforcement Affairs), "International Narcotics Control Strategy Report, Volume II: Money Laundering", 2022, pg.35. <https://www.state.gov/wp-content/uploads/2022/03/22-00768-INCSR-2022-Vol-2.pdf> (Last accessed on 25.10.2023) 4 Ibid.

results.⁴ Also, the report shows that Albania has made progress in terms of implementing the recommendations of the Committee of Experts for the Evaluation of Measures against Money Laundering and the Financing of Terrorism (hereinafter: Moneyval),⁵ as well as the action plan of the Special Financial Action Task Force (hereinafter: FATF),⁶ with the aim of improving effectiveness in the field of money laundering. Also, since February 2020, Albania is part of a political commitment to engage with the FATF and Moneyval, in the framework of the fight against money laundering and the financing of terrorism.

Keywords: Money laundering, harmonization, Albanian legislation, EU membership.

Full Text: [PDF](#)



This work is licensed under [Creative Commons Attribution 4.0 License](#).

Balkan Journal of Interdisciplinary Research (Austria) E – ISSN 2411- 9725 / ISSN 2410-75

Copyright © IIPCCL-International Institute for Private, Commercial and Competition law