Funded by the European Union

Policy Brief

Youth Participation Structures as a Pathway to Youth Entrepreneurship

Beyond Barriers Association
Tirana, 2026

CONTENTS

Executive summary

Albania has a clear policy paradox. Youth self-employment is higher than in the other countries covered by the Youth Participation Index 2024, yet young women experience the widest gender gap on this indicator. Only 8.5% of young women are self-employed, compared with 18.0% of young men. The gap exists even though women aged 25 to 29 hold advanced degrees at more than twice the rate of young men.

The problem is not a shortage of youth structures. Law No. 75/2019 provides a National Youth Agency, a National Youth Council and Local Youth Councils. The problem is the missing connection between those participation structures and the institutions responsible for entrepreneurship finance, employment and skills. Youth voice, funding and delivery operate through separate lines, with no single actor accountable for the handoff between them.

This gap matters because it affects more than access to a grant. Young women need information early enough to apply, guidance suited to their sector, time-compatible training, finance on realistic terms and a route for raising barriers when programmes do not reach them. At present, these functions are spread across different institutions and are rarely experienced as a single pathway. The policy task is therefore to connect existing measures around the needs and decisions of the young woman using them.

This brief starts from a more specific question: are the structures Albania already has for youth participation functioning as channels through which young women can shape, access and benefit from entrepreneurship policy? The evidence indicates that they are not yet doing so. Young women are formally entitled to participate on the same terms as young men, but the structures' general consultative mandate does not extend to a defined economic role. There is no established entry point through which entrepreneurship barriers reach the ministries and agencies able to act on them.

Albania does not need another youth institution. It needs to make existing participation structures economically functional through a mandate, a budget, a data flow and an accountable referral route.

Three policy pillars

1. Make the gap measurable. Publish annual applicant, beneficiary and outcome data by sex, age and region across entrepreneurship and employment-support schemes.

2. Make participation economically functional. Require costed entrepreneurship actions in local youth plans, give LYCs a referral and information-gathering role, and address care and regional access barriers.

3. Make support reachable. Link NYA, AKPA and the entrepreneurship ministry through a named lead, a formal protocol and shared outcome reporting. Connect Youth Guarantee, Skills, grants, finance and mentoring.

A call to action

This policy brief calls for action: the National Youth Agency, AKPA, and the Minister of State for Entrepreneurship and Business Climate to agree on a common coordination and reporting protocol. The protocol should name a lead institution, define referrals from youth councils into funded programmes and set the minimum data each programme publishes.

Acknowledgments

This policy brief was developed within the framework of the regional project **“Stronger Voices for Better Choices – Youth Hub for the Western Balkans and Türkiye (YHWBT)”**, with the aim of contributing to evidence-based policymaking and strengthening youth participation in Albania. **YHWBT** is a regional initiative that aims to increase youth participation in policy-making, strengthen civil society organisations, and strengthen civic engagement in the Western Balkans and Türkiye. The project is funded by the Instrument for Pre-Accession Assistance (IPA III). The project is led by the Ana and Vlade Divac Foundation and coordinated in Albania by Beyond Barriers Association.

Youth Participation and Current Challenges

⇒ A shrinking and unequal path into entrepreneurship

Self-employment among young people aged 15 to 29 in Albania has been declining rather than growing: from 21.7% in 2018 to 13.8% in 2024, a fall of nearly 8 percentage points as the labour market shifts toward salaried work. Within this shrinking pool, young women are markedly under-represented: only 8.5% are self-employed, compared with 18.0% of young men, a gap of 9.5 percentage points, the widest recorded among the seven countries covered by the Index. This gap is not typical for the region. In Türkiye, the gap is about four points; in Montenegro, two points; and in North Macedonia, one point. In Bosnia and Herzegovina and Serbia, it is reversed, with young women slightly more likely than young men to be self-employed.[1]

This pattern indicates that Albania's challenge is not low overall entrepreneurial activity. The overall rate is comparatively high. Access to entrepreneurship is unequal. The regional comparison points to barriers within Albania's own environment, including finance, time, care responsibilities, networks, information, and institutional voice.

⇒ A regional paradox worth noting

Albania recorded the highest overall youth self-employment rate among the seven countries covered by the 2024 Index. At the same time, the gap between young women and young men was the widest. This is the paradox: a country with the strongest youth self-employment rate in the regional comparison also has the widest gender gap within the same indicator. These two findings should be read together. A country where self-employment is common among young people should offer clear pathways to business creation. The fact that young women participate at less than half the rate of young men suggests that the routes are not equally reachable.[2]

Regional conditions alone do not explain this result. Neighbouring economies face many of the same pressures, including limited finance, migration, and labour-market informality, yet do not exhibit the same gender gap. Albania's position therefore requires a domestic policy response. The response should examine who receives information, who reaches application stages, who meets co-financing requirements, who has time for training and who gains access to professional networks. Without this detail, a high national self-employment rate hides an unequal distribution of opportunity.

---

[1] Youth Participation Index in Albania 2024, Partners Albania for Change and Development, p.38.; National Monitoring Report on Youth Participation in Albania 2024.

[2] Youth Participation Index in Albania 2024, Partners Albania for Change and Development, p.37-38.

⇒ An educated generation economically left behind

This gap exists despite a surplus of qualified young women. Women aged 25 to 29 hold advanced degrees at more than double the rate of young men, 63.5% compared with 29.5%, and young women enrol in tertiary education at rates roughly 12 percentage points higher than those of young men. Yet young women are also more likely to be outside employment, education and training, less active in the labour market and more exposed to poverty. Education alone does not explain the entrepreneurship gap. The evidence directs attention to access and institutions.[3]

⇒ Key indicators

Indicator	Total	Young women	Young men
NEET rate, ages 15 to 29	22.2%	24.7%	19.7%
Youth unemployment rate	18.9%	19.0%	18.8%
Labour-force participation	54.8%	48.9%	60.6%
Self-employment rate	13.8%	8.5%	18.0%
Enrolled in tertiary education	31.4%	37.3%	25.4%
At risk of poverty, 2023	21.9%	23.2%	20.7%

Source: Youth Participation Index 2024 and National Monitoring Report on Youth Participation in Albania 2024. Poverty data refer to 2023.

[3] Youth Participation Index in Albania 2024, Partners Albania for Change and Development, developed in cooperation with national and local stakeholders.

Legal Framework for Youth Participation in Albania

Albania's framework for youth participation rests on Law No. 75/2019 "On Youth", amended in March 2025 to further strengthen young people's role in political, social and economic life. This commitment to economic life does not confine young people's voice to social or political matters, but explicitly extends it to the economic sphere, which is exactly the ground this brief tests.[4]

Local Youth Councils have a defined general function under Law No. 75/2019 and the National Youth Strategy. They are one of two youth consultation structures defined alongside the National Youth Council, intended to institutionalise structured dialogue between young people, youth organisations and government representatives. The law describes this dialogue as active, systematic, transparent, continuous and long-term. Each LYC serves as an advisory body to its municipality's mayor, while municipalities are required to maintain staff specialised in youth issues.[5]

The legal architecture has continuity, but continuity is not the same as functionality. An advisory body might meet and report, yet lack the mandate, budget, or institutional relationships needed to influence economic policy. The National Youth Strategy's review of the previous action plan recorded a 40% implementation rate and identified limited local human resources as a contributing factor. The Strategy also calls for stronger capacity and resources for the National Youth Agency.[6]

Neither the National Youth Council nor the Local Youth Councils has a defined function in entrepreneurship. Their mandate covers youth policy broadly. No required process moves an economic barrier identified by young women from a council meeting to the institution that controls grants, employment programmes, or skills services. This is where a formal right to participate loses practical value.

⇒ What functionality should mean

A functional participation structure needs more than legal existence and periodic meetings. For entrepreneurship policy, functionality has four practical tests. First, the structure should have a defined mandate to discuss economic barriers and propose measures. Second, it should have enough staff time and a small operational budget to gather evidence and support referrals. Third, the institution receiving its advice should have a duty to respond.

[4] Law No. 75/2019 "On Youth", as amended in March 2025https://rinia.gov.al/wp-content/uploads/2021/02/ligj-nr.-75-dt.-4.11.2019-LIGJI.pdf
[5] National Youth Strategy 2022–2029, Section 2.2 "Law on Youth".; National Youth Strategy 2022–2029, Section 2.5.1 "Local Government Units".; National Youth Strategy 2022–2029, Table 4, Measure 1.1.2.
[6] National Youth Strategy 2022–2029, Specific Objective 1.2, "Situation analysis and Challenges".

Fourth, results should be returned to the council so members can see whether their input changed a programme, budget, or delivery practice.

Local Youth Councils are especially important because access barriers differ across municipalities. Information gaps, transport, childcare, sector opportunities and business networks do not look the same in Tirana, a coastal municipality or a rural area. A national programme therefore needs a local feedback route. LYCs should not become grant administrators. Their value lies in identifying barriers, reaching young people outside established networks, referring them to services, and monitoring whether local delivery works.

Structures Defined by Law and Their Functionality

Law No. 75/2019 creates three distinct structures, each with a different authority, a distinction that matters because it determines who is accountable for whether entrepreneurship barriers get heard. The National Youth Agency implements youth policy and manages grants for youth organisations. The National Youth Council advises the responsible ministry. Local Youth Councils advise the mayor of each municipality. Both councils feed input to the authority above them rather than making decisions independently.[7]

⇒ The accountability gap

Entrepreneurship support sits elsewhere. The Minister of State for Entrepreneurship and Business Climate, leads the National Strategy for the Development of Innovative Entrepreneurship 2024–2030 and start-up measures. AKPA implements the Youth Guarantee and the Self-Employment Programme and manages the Skills digital platform for vocational education, training and employment services. AIDA administers separate SME support instruments. These programmes overlap in their relevance to young women, but they do not operate through one pathway.[8]

[7] National Youth Strategy 2022–2029, Republic of Albania, Section 2.2 “Law on Youth”.; National Youth Agency, Decision No. 512, dated 25.9.2025, "On Determining the State Responsibility Area of the Ministry of Tourism, Culture and Sport."https://rinia.gov.al/wp-content/uploads/2026/01/VENDIM-Nr.-512-date-25.9.2025.pdf

[8] Minister of State for Entrepreneurship and Business Climate, National Strategy for the Development of Innovative Entrepreneurship 2024–2030.https://www.sipermarrja.gov.al/wp-content/uploads/2025/04/Strategjia-Ok.pdf; Skills portal, National Employment and Skills Agency (AKPA),https://aftesi.puna.gov.al/; National Agency for Employment and Skills established by Council of Ministers Decision No. 554, dated 31.07.2019, 'On the Creation, Manner of Organisation and Functioning of the National Agency for Employment and Skills'; its structure and staffing subsequently approved by Prime Minister's Order No. 172, dated 24.12.2019. Source: AKPA, Annual Analysis 2021.https://akpa.gov.al/wp-content/uploads/2022/12/Analiza-Vjetor-2021.pdf; National Youth Strategy 2022–2029, Republic of Albania, Section 2.6 “Developing a National Youth Strategy Linked to the EU Youth Guarantee”.https://rinia.gov.al/en/strategjia-kombetare-e-rinise-22-29

The division of responsibilities is understandable. Youth institutions represent and engage young people. Employment institutions deliver labour-market services. Entrepreneurship bodies design business support and financing measures. The failure arises at the boundaries. A young woman who raises a financing or care-related barrier through an LYC has no standard referral into AKPA or a start-up programme. Likewise, programme managers have no routine requirement to ask youth structures why participation is low in a municipality or among young women.

Legal fragmentation reinforces the institutional split. Law No. 75/2019 governs youth participation, while Law No. 25/2022 governs support for start-ups. Both are relevant to young entrepreneurs, yet the two laws do not reference each other or create a shared implementation path. The answer does not require merging laws or institutions. A joint protocol, common reporting rules and a standing coordination mechanism would connect their implementation while preserving each institution's role.[9]

The governance failure is clear. The institution representing young people is separate from the institutions that finance entrepreneurship and deliver employment and skills services. No single actor owns the handoff from participation to a funded opportunity.

⇒ How the proposed system should work

Youth voice through the NYC and LYCs should inform an accountable handoff among NYA, AKPA, and the entrepreneurship ministry. This handoff should lead into finance, Youth Guarantee, Skills, mentoring and local outreach. Shared data should then track business survival, income and jobs, with results returning to youth structures for review.

[9] Law No. 75/2019 “On Youth”, as amended in March 2025https://rinia.gov.al/wp-content/uploads/2021/02/ligj-nr.-75-dt.-4.11.2019-LIGJI.pdf; Law No. 25/2022 "On the Support and Development of Start-ups."https://www.sipermarrja.gov.al/wp-content/uploads/2023/08/Ligji-per-mbeshtetjen-dhe-zhvillimin-e-startup-eve.pdf

Structural Gaps: The Law's Implementation and Beyond

Gap	Why it blocks progress
No economic mandate	NYC and LYC advice has no required route into entrepreneurship policy.
No dedicated local budget	Councils lack resources to test or monitor local measures.
No sex-, age- and region-disaggregated monitoring	Government cannot verify who applies, who benefits or who remains excluded.
Low awareness outside Tirana	Existing schemes do not consistently reach young people through local participation channels.
Split institutional ownership	Youth voice, finance and service delivery sit with different institutions, with no accountable handoff.

⇒ Evidence from consultations

Consultations carried out for this brief with youth, civil society, youth councils, public institutions in Tirana and municipal youth officers in Albania confirmed and sharpened the picture above. Consultations held were part of a workshop with 38 youth workers from municipalities in Albania, 8 youth organisations, and over 100 young people from different cities who were involved in the process.

Six points stand out as areas where structures most need strengthening rather than replacement.

- Access to finance, rather than a lack of skills or motivation, was consistently named by young women as the main constraint. This is where the structural gap becomes concrete: finance does not reliably reach young women because no channel connects participation structures to entrepreneurship funding.
- Awareness of existing support schemes is low, particularly outside Tirana and in rural municipalities.
- Care responsibilities shape young women's time, mobility and willingness to take entrepreneurial risk and are not currently factored into participation or support structures.
- Local Youth Councils want an economic mandate. Readiness to help design and monitor local entrepreneurship measures exists, but no formal channel, budget or follow-up connects that readiness to action.

- Existing youth infrastructure is under-used for this purpose. Regional youth centres in Korça, Shkodra and Vlorë function mainly as event space rather than platforms for youth-led economic activity.
- Career guidance and internships also require attention. Weak career guidance and limited access to quality, paid internships were raised as barriers to employment and entrepreneurship.

The practical message remains consistent. Municipal youth officers and councils often understand local barriers and possible responses. What they lack is a formal route, a budget and an obligation for another institution to respond. Regional youth centres in Korça, Shkodra and Vlorë also provide existing infrastructure for outreach and referrals, rather than the construction of new institutions.

⇒ What the consultation themes mean for policy design

Finance should not be treated as a stand-alone product. A grant or loan has limited reach when potential applicants do not hear about the call, cannot meet documentation requirements, lack sector guidance or cannot attend fixed-hour training. This is why finance, information, mentoring and referral support need to operate as a package. The same principle applies to care. Childcare support will not solve every barrier, but programme schedules and participation costs should stop assuming that every applicant has unrestricted time and mobility.

Awareness outside Tirana is also a delivery issue, not a communications detail. National calls often reach people already connected to business networks, universities or civil society organisations. Municipal youth offices, LYCs and regional youth centres offer a route to young women who sit outside those networks. Their role should include explaining schemes in plain language, checking eligibility, making referrals and recording where applicants drop out.

Career guidance and paid internships matter because entrepreneurship does not begin only at business registration. Exposure to sectors, employers and practical work helps young people identify a viable market, understand costs and build networks. Adding these functions to the Skills entrepreneurship route would connect education, employment experience and business creation rather than presenting them as separate choices.

A Crucial Time to Act

Four developments make this a genuine policy window rather than an arbitrary deadline. First, the Youth Guarantee is expanding beyond its initial pilot. Gender-specific enrolment, referral and business-creation indicators are easier to build during expansion than after routines are fixed. Second, the National Strategy for the Development of Innovative Entrepreneurship 2024–2030 is shaping grant and financing instruments. Its measure for women's and girls' entrepreneurship provides a base for improvement, while its scale should be assessed against the size of the gap it addresses.[10]

Third, the Skills platform already brings together education, training and employment information. Adding an entrepreneurship route, with grants, mentoring, and information on paid internships, strengthens an existing service. Fourth, Albania's EU accession process increases the value of evidence-based implementation, gender-responsive monitoring and published results.[11]

Existing public commitments also create a basis for action. The entrepreneurship strategy includes a measure focused on women and girls, while the 2025 Citizen Budget records dedicated funding for the Youth Guarantee, women's and girls' employment promotion programmes, and public vocational training. The issue is therefore not the complete absence of policy or finance. The issue is scale, connection and evidence. Separate budget lines should form a pathway with common entry points and outcome measures, rather than remain parallel programmes whose combined reach is difficult to assess.[12]

Albania's tourism sector illustrates what is at stake in a fast-growing market for youth-led enterprise. Foreign visitor numbers rose to about 12.4 million in 2025, a 7% annual increase. Similar opportunities exist in digital services, agritourism and green enterprise. These figures provide market context, rather than direct evidence of entrepreneurship outcomes.[13]

---

[10] National Strategy for the Development of Innovative Entrepreneurship 2024–2030, Republic of Albania.https://www.sipermarrja.gov.al/en/; National Strategy for the Development of Innovative Entrepreneurship 2024–2030, Table 3 (High-Level Budget and Financing Mechanisms).
[11] Skills portal, National Employment and Skills Agency (AKPA),https://aftesi.puna.gov.al/; National Youth Strategy 2022–2029, Republic of Albania, Section 2.6 “Developing a National Youth Strategy Linked to the EU Youth Guarantee”.https://rinia.gov.al/en/strategjia-kombetare-e-rinise-22-29
[12] Ministry of Finance, "Buxheti për Qytetarët 2025," approved under Council of Ministers Decision No. 664 of 24.10.2024, p.20.https://financa.gov.al/wp-content/uploads/2024/11/Buxheti-per-Qytetaret-Ministria-e-Financave-2025.pdf; National Strategy for the Development of Innovative Entrepreneurship 2024–2030, Table 3 (High-Level Budget and Financing Mechanisms).
[13] INSTAT, cited in Euronews Albania, "Year-Round Tourism: 12.4 Million Foreign Visitors to Albania in 2025, Up 7%," January 2026.https://euronews.al/en/year-round-tourism-12-4-million-foreign-visitors-to-albania-in-2025-up-7/

Recommendations

⇒ Make the gender gap measurable

NYA, AKPA, INSTAT, and the entrepreneurship ministry should adopt a single annual reporting standard. At a minimum, each scheme should publish applications, approvals, disbursements, and outcomes by sex, age, and region. Youth Guarantee reporting should include business creation as a separate exit. Programme performance should move from outputs, such as training places or loans issued, to business survival, income change and employment created.

The reporting standard should follow the full programme journey. Applications show awareness and demand. Eligibility decisions show whether programme rules exclude particular groups. Disbursements show who receives support. One- and three-year outcomes show whether support produces a durable livelihood. Regional reporting should use consistent categories so results from different institutions can be read together. Publication should use aggregate data and clear definitions, avoiding any disclosure of personal information.

- Publish one annual dashboard across the Youth Guarantee, Self-Employment Programme, start-up grants and relevant AIDA measures.
- Assign clear data ownership and protect personal data through aggregate reporting.
- Commission an independent evaluation after the first full cohort cycle.

⇒ Make youth participation economically functional

Municipal guidance should require every local youth plan to include a costed entrepreneurship component developed with the Local Youth Council. LYCs should hold a formal referral and information role. They should document barriers and transmit them to the relevant programme owner, receive a response, and review progress each year.

A costed component need not be large. Municipalities could begin with outreach sessions, application support, transport or childcare assistance during training, local mentoring partnerships, and small-sector events. The important change is to connect each activity to a named budget, a responsible actor, and an indicator. The annual LYC review would then focus on what reached young women, which referrals were completed, and which barriers require action by national institutions.

- Use municipal youth offices and regional youth centres as outreach and referral points, especially outside Tirana.

- Map childcare capacity and test part-time-compatible training or childcare support in two or three municipalities.
- Publish a plain-language guide to grants, Youth Guarantee, self-employment support, incubators and mentoring through Skills and municipal channels.

⇒ Make entrepreneurship support reachable

NYA, AKPA and the entrepreneurship ministry should establish a standing coordination mechanism with a named lead. A memorandum or joint protocol should define referrals, response times, shared reporting and escalation. This mechanism should connect young women identified through participation structures to finance, training, mentoring and employment services.

The coordination mechanism should remain small and operational. Two formal meetings each year would be enough if institutions also maintain a shared referral register and assign focal points between meetings. NYA should bring evidence from youth councils. AKPA should report service uptake and exits. The entrepreneurship ministry should report grant and finance participation. Municipalities and civil society should join when regional barriers or programme redesign require local evidence.

- Integrate entrepreneurship guidance and gender-specific enrolment targets into the regional Youth Guarantee expansion.
- Strengthen the existing women and girls' entrepreneurship measure through simpler documentation, a lower own-contribution requirement where justified and verification of beneficial ownership.
- Pair finance with sector-matched mentoring and visible role models through business associations, chambers, ICT hubs and agribusiness networks.
- Place key employment-promotion and entrepreneurship measures on a multi-annual funding basis, subject to outcome evaluation.

Conclusions

Young women in Albania are markedly more educated than young men of the same generation, yet they are the least likely to be self-employed, and the gap is widening rather than closing. The fix is not a missing law. Law No. 75/2019 already establishes a National Youth Council, Local Youth Councils in all 61 municipalities, and an implementing agency to coordinate them. What is missing is the connection between these participation structures and entrepreneurship policy: a budget, a mandate, a data flow and basic awareness of what already exists, none of which currently exist in connected form.[14]

Publishing better data and giving Local Youth Councils an economic role should start first. Better finance, mentoring and multi-annual funding should follow through the same pathway. None of these actions requires Albania to build a new youth structure. They require the institutions already in place to work together, respond to local evidence and report whether young women gain access and achieve durable economic results.

The immediate test is practical. Within six months, NYA, AKPA and the entrepreneurship ministry should name a lead, agree the protocol and publish the first common reporting standard. The next monitoring cycle should then show whether the gender gap is closing.

Abbreviations

NYA – National Youth Agency
LYC – Local Youth Council
NYC – National Youth Council
YPI – Youth Participation Index
VET – Vocational Education and Training
NEET – Not in Employment, Education or Training
EU – European Union
INSTAT – Institute of Statistics (Albania)
SME – Small and Medium-sized Enterprise
MoEBC – Minister of State for Entrepreneurship and Business Climate
MTKS – Ministry of Tourism, Culture and Sport
AKPA – National Employment and Skills Agency
AIDA – Albanian Investment Development Agency

[14] Youth Participation Index in Albania 2024, Partners Albania for Change and Development.

Sources and references

- **Youth Participation Index in Albania 2024.** Partners Albania for Change and Development, 2024. Source
- **National Monitoring Report on Youth Participation in Albania 2024.** Beyond Barriers Association, 2025. Source
- **National Youth Strategy and Action Plan 2022–2029.** Republic of Albania, 2022. Source
- **Law No. 75/2019 On Youth.** Republic of Albania, 2019, amended 2025. Source
- **Decision No. 512 of 25 September 2025 on the responsibility area of the Ministry of Tourism, Culture and Sport.** Republic of Albania, 2025. Source
- **National Strategy for the Development of Innovative Entrepreneurship 2024–2030.** Republic of Albania, 2024. Source
- **Law No. 25/2022 on the Support and Development of Start-ups.** Republic of Albania, 2022. Source
- **Skills digital platform.** National Employment and Skills Agency, accessed 2026. Source
- **Annual Analysis 2021.** National Employment and Skills Agency, 2021. Source
- **Citizen Budget 2025.** Ministry of Finance, 2024. Source
- **Year-Round Tourism: 12.4 Million Foreign Visitors to Albania in 2025, Up 7%.** Euronews Albania, citing INSTAT, 2026. Source

For more details on the project, visit:

youthwbt.eu

This publication was funded by the European Union. The content is the sole responsibility of the Institute for Beyond Barriers Association and does not necessarily reflect the views of the European Union.