



**REPUBLIC OF ALBANIA
INVESTMENT COUNCIL**

DECISION

**NO.1, DATE 1-JUL-2015
FOR**

**APPROVAL OF THE REGULATION FOR THE FUNCTIONING OF THE
INVESTMENT COUNCIL**

Based on article 14 of the Decision of Council of Ministers, No. 294 dated 8 April 2015 “For the Establishment of the Investment Council”, with a proposal from the Secretariat of the Investment Council and after reviewing the draft document, the Investment Council,

DECIDED:

1. To approve the Regulation “For the Organization and Functioning of the Investment Council” which document has been attached to this decision.
2. The Secretariat of the Investment Council has been put in charge for the execution of the Regulation.
3. This decision becomes effective from 1 July 2015.

CHAIRMAN OF THE INVESTMENT COUNCIL

ARBEN AHMETAJ

MINISTER OF ECONOMIC DEVELOPMENT, TOURISM, TRADE AND ENTREPRENEURSHIP

INVESTMENT COUNCIL

REGULATION
ON THE ORGANIZATION AND FUNCTIONING OF
THE INVESTMENT COUNCIL

CHAPTER 1
GENERAL DISPOSITIONS

Article 1
Legal Base of the Regulation

The Regulation “On the Organization and Functioning of the Investment Council” is based on paragraph 14 of the Decision from the Council of Ministers no. 294, dated 8 April 2015 “On the Establishment of the Investment Council”.

Article 2
Purpose

This regulation has the purpose to define:

- a) In detail the internal rules for the organization and functioning of the Investment Council.
- b) Duties, functions and competences of the Secretariat of the Investment Council as an organisational and executive structure within the Investment Council.
- c) The principles and procedures, based on which the Secretariat of the Investment Council executes its duties, functions and competences.

Article 3
Legal Status of the Investment Council

Investment Council is an independent advisory body of the Council of Ministers chaired by the Minister of Economic Development, Tourism, Trade and Entrepreneurship with the objective of promoting dialogue between the representative associations of the private business community, international organizations, donors and government for the development of a favourable, non-discriminatory, transparent and fair business and investment climate in Albania.

Article 4
Abbreviated designation, logo and stamp

4.1 The abbreviated designation of the Investment Council/Këshilli i Investimeve is IC/IK accordingly.

4.2 The content of the IC stamp is: Republic of Albania, Investment Council (IC).

CHAPTER II THE SCOPE OF IC

Article 5 The Object

5.1 The IC has as the object of its activity:

- a) Facilitation of the constructive dialogue and exchange of views between the Council of Ministers, Ministries and other executive Agencies under their subordination on the one hand and the private sector on the other hand, in terms of improving and encouraging a sound investment climate and execution of an effective measures plan against corruption in accordance with the principles of the Albanian National Anti-Corruption Strategy.
- b) Preparation of legal and economic analysis, and concrete recommendations with a focus in the improvement of the existing legislative framework and development of policies for the promotion of investments.

5.2 The IC through its Chair, based on the analyses, discussions and conclusions of the periodic IC meetings, submits concrete recommendations to the Prime Minister and respective Ministers, to make the necessary legislative amendments or undertake other initiatives with the objective of improving business climate in the country.

Article 6 Principles of the Functioning and Organization of the Investment Council

6.1 The IC is organized and functions in accordance with:

- a) *The principle of transparency* by publishing in its official website any concrete decision of the IC and any recommendation sent to the Prime Minister and/or Ministers from the IC.
- b) *The principle of preventing the conflict of interest* in any decision of the IC according to the dispositions of the Law No. 9367 dated on 7 April 2005 “For the prevention of the conflict of interest in exercising public functions” (amended).
- c) *The principle of protecting the public interest and the business rights*, by being all-inclusive and being the voice of the business to the executive organs in the country.

Article 7 Investment Council Activities

7.1 The activities of the Investment Council are defined in the Decision of the Council of Minister (DCM) no. 294 dated 8 April 2015.

7.2 The Investment Council to fulfil its purpose and in implementation of the objective of its activity monitors and identifies the main impediments in different

sectors in the business environment for the purpose of reducing the administrative impediments, and more specifically:

- a) It recommends to the Prime Minister, Ministers and other public administration bodies consolidated proposals, supported in the legal and economic professional expertise of the Secretariat with the objective to:
 - i) amendment and/or improvement of the regulatory legislation for the business;
 - ii) Amendment and/or reduction of the bureaucratic procedures for the opening, functioning, development or closing a business.
- b) According to the IC working needs and in accordance with the procedures of the Secretariat's funding authority, engages specialists to perform assessments for the improvement of business climate.
- c) Analyses the cases of unfair and abusive practices toward the business and coordinates the procedures for disputes resolution.
- d) Develops and promotes the best practices for preventing and combating corruption on issues related to the private business, also supporting the National Anti-Corruption Strategy.

7.3 Notwithstanding the provision in the paragraph 7.2 above, the Investment Council has the right to perform and fulfill any other tasks in accordance with the Decision no. 294 dated 8 April 2015.

Article 8 ***IC Functioning***

- 8.1 The day-to-day activities of the IC shall be coordinated by the Secretariat of the Investment Council, which is an organisational and executive structure with no political affiliation in its activity;
- 8.2 There shall be no less than 6 (six) ordinary IC meetings in a year. Dates and frequency of the meetings will be suggested by the Secretariat in cooperation with the Chairman of the Investment Council and eventually agreed with the IC members during the IC meetings.
- 8.3 Upon the request of the Chair or any permanent member of the IC, additional ad hoc sessions could be arranged, depending on the agenda and/or the necessity to discuss any concrete newly emerged topic.
- 8.4 The consultative process of setting the IC agenda is critical for the effectiveness of the work of this Council, to ensure that the items to be discussed at each meeting are well formulated, analysed and can achieve maximum impact.
- 8.5 Agenda of the IC meetings will be prepared by the IC Secretariat in consultation with the IC Chair according to the following criteria:

- a) Consultation period – The Agenda and relevant materials of each meeting will be announced to the members of the Investment Council by the Secretariat 15 (fifteen) days prior to the meeting for consultation.
- b) Sources for the identification of topics – shall be based on the proposals received from:
 - i. the private sector (comments arrived to the Secretariat either from consultation meetings with the Secretariat’s experts or from the IC website);
 - ii. Investment Council members;
 - iii. Reports from international institutions on the investment climate.
- c) Approval of the agenda - The Investment Council approves the next meeting agenda in the current meeting. Upon Secretariat’s request and when required by more than half of the members, any item which had not been included in the preapproved agenda, it is added to the agenda as an item for discussion;
- d) Transparency in the development of the draft agenda is subject to an extensive consultation process, in close collaboration with the Council’s members as well as with other stakeholders. For this purpose, the IC Secretariat shall develop and maintain on the IC website an electronic form that allows members of the public and all other interested parties to propose items for the IC agenda;

Article 9
Modalities for the Development of Meetings

- 9.1 The IC meetings are deemed quorate when more than half of the members are present.
- 9.2 Decisions are taken through open vote and by the majority number of votes from the members present in the meeting;
- 9.3 In case the majority of votes is not reached, the vote of the Chair is decisive in the decision-making.

CHAPTER III
FUNDING SOURCES

Article 10
Funding sources

- 10.1 Funding for the IC Secretariat will be provided by the EBRD from its donor resources for the first three years of operations. Thereafter EBRD and the Government of Albania will review the effectiveness of the IC and assess options for renewed funding, including from the business community.

Article 11
Use of Funds

- 11.1 The funding that IC receives from different sources is used in accordance with pre-agreed procedures from the relevant donor/s and only for performing the IC activities according to the applicable legal framework.
- 11.2 The foreign or local donors which contribute with financial funding, have the right to be informed by the IC on the results from the usage of these funds.

CHAPTER IV
ORGANIZATIONAL STRUCTURE OF IC

Article 12
IC Bodies

The IC organs are:

- IC Chair;
- The IC Secretariat.

Article 13
Investment Council's Membership

Investment Council is chaired by the minister responsible for the economy. The Council consists of representatives with permanent status and members with non-permanent status.

- a) Members with permanent status from the Council of Ministers and from its subordinate institutions:
- Minister of State for Local Affairs;
 - Minister of State for Relations with Parliament;
 - Executive Director of the Albanian Investment Development Agency (AIDA);
 - General Director of Tax;
 - General Director of Customs.
- b) Members with permanent status from independent constitutional institutions:
- Governor of Bank of Albania.
- c) Members with permanent status from international development partners:
- European Bank for Reconstruction and Development (EBRD);
 - European Union;
 - World Bank/International Finance Corporation (IFC).
- d) Members with non-permanent status from the business:

- three companies;
 - three business associations;
- e) Participation of members with non-permanent mandate is organized by the Secretariat. For every semi - annual period, the Investment Council approves a new agenda, and select new members with non-permanent mandate from the business representatives. This is done on a transparent process based on a recommendation from the Head of the IC Secretariat to the Chairman of the Investment Council. It should come following consultation with permanent members and the business community.
- f) Any member of the Investment Council, by sending a notice to the Secretariat, may request the participation of other parties, such as public institutions or companies, or representatives from the civil society, for any item on the agenda of the IC.
- g) Permanent/non-permanent members and other parties which participate in the IC meetings shall have no right to receive any form of remuneration in connection with such activity.

Article 14
Rights and Duties of Members of the Investment Council

- 14.1 The members of the Investment Council have the right:
- a) To participate personally and actively in the meetings of the IC;
 - b) To make proposals and remarks, to intervene and to propose amendments for the items discussed from the Investment Council;
 - c) To take part in the preparation and implementation of any recommendation discussed and/or adopted by the Council;
 - d) To receive in a timely manner all information relevant to the items discussed by the IC;
 - e) To be present and to actively participate in the sessions of the working bodies of the IC;
 - f) To vote freely on any item on the IC agenda;
 - g) To request any information on the implementation of any recommendations made by the IC;
 - h) To take into consideration the interests of the business community by acting in fair and unbiased manner at the meetings of the IC;
 - i) To promote implementation of the IC's recommendations.
- 14.2 Investment Council members must respect the Code of Ethics in the Investment Council meeting.

Article 15
Competences of the Chair of the Investment Council

Chair of the Investment Council:

- Approves the date and the time of the next IC meeting;
- Approves the proposed agenda for every IC meeting based on the proposal received from the Head of the Secretariat;
- Brings the recommendations of the IC to the attention of the Prime Minister, Line Ministries/Ministry and Parliament as well as report to the IC members on the comments and suggestions received following such consultations;
- Chairs the IC meeting and ensures that such meetings are conducted in an efficient, constructive and collegial manner.

Article 16
Functions of the IC Secretariat

The IC Secretariat is an independent technical and executive unit created in accordance with the Decision from the Council of Ministers no. 294 dated 8 April 2015 and Memorandum of Understanding signed between the Albanian Government and European Bank for Reconstruction and Development (EBRD).

Its main functions include but are not limited to the following:

- a) In close coordination with the members of the IC, develops and proposes to the Chair of the IC, the list of candidates for non-permanent members of the IC.
- b) Proposes to the Investment Council the agenda for the next IC meeting, based on proposals from the IC members as well as from the business community;
- c) Prepare in its discretion the prospect agenda preferably for periods of 6 months. Topics of this prospect agenda will serve as a main reference for the periodic meeting/s agenda and for the selection of non-permanent members as per the above paragraphs a) and b).
- d) Organises the IC meetings and invites in its meetings third parties agreed with the Chair;
- e) In collaboration with the Chair of the Investment Council approves the agenda for the next IC meeting and distributes to the IC members and the invited guests the materials to be discussed at such meeting no later than 15 (fifteen) days prior to the meeting.
- f) Coordinates the IC activities with the respective Ministers, arranges for consultation meetings with the business regarding their proposals which will be object to discussions at the IC meetings, as well as organizing technical and professional training sessions;
- g) Assists the IC in discussing and reviewing specific sectorial matters, legal and administrative procedures, which have been brought to the attention of the Secretariat, informs the IC about the respective proposals received regarding proposed items for future IC agendas, as well as specific complaints received from the business regarding unfair and discriminating practices;

- h) Organizes economic research and analysis relevant to the IC activities and reports the finding to the IC;
- i) Prepares minutes of IC meetings and distributes them to the members for their approval within 5 days from the respective meeting;
- j) Supports and monitors the implementation of the IC's proposals, evaluates the results and the impact of the implemented proposals on the quality of the investment climate and reports to the IC on its evaluation;
- k) Reports to the IC members, as well as other stakeholders about the progress achieved in implementing IC's recommendations;
- l) Informs the public about the IC activities, using primarily the IC website as an accessible information point;
- m) Develops, maintains and, when necessary, amends the procedural rules for the effective functioning of the IC and its Secretariat;
- n) Prepares in an independent way its organisational structure and competencies for its staff;
- o) Secretariat staff is recruited through transparent, public and competitive procedure under the monitoring and approval of the EBRD, or, if so agreed with other donors who will contribute to the functioning of the Secretariat, consistent with well-established international practice;
- p) The Secretariat is responsible for keeping relationship with the business community, business associations, donors, international organizations, and representatives of the foreign embassies and any other national or international institution.

Article 17
Composition and Duties of the IC Secretariat staff

17.1 The IC Secretariat consists of a full time staff and it has minimally in its composition:

- a) Head of the IC Secretariat;
- b) Administrative Assistant;
- c) 1 (one) Legal Expert;
- d) 1 (one) Economic Expert.

Short-term experts (local or international) as per working needs and available funds.

17.2 Functions of the Head of IC Secretariat:

- a) Manages and coordinates the work of the Secretariat;
- b) Prepares reports and necessary information for the Chair and members of the IC, as well for the donors;

- c) Identifies the items that will be subject of the IC agenda and proposes them to the Chairman;
- d) Manages and monitors the work of advisory commissions;
- e) Manages the work for the development of terms of reference and prepares analysis in accordance with the needs and recommendations of the IC;
- f) Serves as a contact point among the IC members and financing donors of the IC;
- g) Reports to EBRD about the work and duties of the IC Secretariat;
- h) Informs continuously the Chair of the Council on issues highlighted from meetings with the business;
- i) Represents the Secretariat to the IC members;
- j) On the execution of the Secretariat's operational and administration tasks and functions, as agreed with EBRD, represents the Secretariat to other parties.

17.3 Functions of the Administrative Assistant:

- a) Prepares the logistics for the organization of the IC meetings;
- b) Prepares and archives the minutes of the all the IC meetings;
- c) Keeps the written documentation and all the official correspondence of the IC;
- d) Administers all the financial funds of the IC according to the Secretariat's donor's procedures.

17.4 Duties of the Technical Experts:

- a) Identify and analyse the main impediments in the business environment in different sectors of the economy and in the area of investment to be proposed for consultation to the IC;
- b) Review and analyse the legislation in the area of private sector and put forward practical recommendations in relation to the reforms in the area of business climate, and institutional reforms which affect the improvement of foreign and domestic investments;
- c) Develop analysis, researches and documents according to the best international practices in the area of anti-corruption in the public and private sector as well as suggest practical solutions for the reduction of informality in the economy;
- d) Make proposals regarding the drafting of agenda and other materials to be discussed in the IC meetings;
- e) Assist and coordinate the efforts together with the Head of Secretariat to fulfil all the functions of the IC Secretariat according to this Regulation and according to the Decision of Council of Ministers no. 294 dated 8 April 2015.

Article 18

Communication

- 18.1 The Investment Council uses an approved format for the official communication consisting of a logo and a stamp.
- 18.2 All communication among all parties shall be made in written form to be accepted as an eligible document with relevance to this regulation.
- 18.3 As part of transparency, the Secretariat will develop and manage the IC website, produce periodic newsletters, aiming to inform the public on the work performed by the IC.

Article 19 ***Rules for Effective IC meetings***

Standards for the IC Secretariat when developing the draft IC agenda:

- a) The agenda serves to inform the participants in advance on the items to be discussed, so they can come prepared and informed, and ready to contribute with ideas and ask questions;
- b) Decide in which order to discuss the proposed items – it is best to discuss the important items first, to make sure there will be enough time to complete the discussion;
- c) At regular meetings, the last item on the agenda should be “Date of next meeting”.
- d) It is helpful to consider issues by sector and not those that are only relevant to some businesses with no or very little impact on the sector or the business climate as a whole.

Article 20 ***Establishment and Functions of Advisory Commissions***

- 20.1 Advisory commissions are created on ad hoc basis, with suggestion from the IC or its members. They could have in their composition representatives from the business associations, public agencies, technical consultants and other stakeholders.
- 20.2 The commissions are managed by the IC Secretariat.
- 20.3 The advisory commission is established to:
- a) Enable more participation of the interested parties in the composition of working groups;
 - b) Obtain information from the membership of business associations, interested parties and public institutions;
 - c) Organize technical discussions to request thoughts on the items that are being treated;

- d) Prepare and submit for approval at the IC, analyses, reports and conclusions on the work for which it was created.

CHAPTER V PUBLICATIONS OF THE INVESTMENT COUNCIL

Article 21 Annual report of the IC

The annual report contains, but it is not limited to:

1. Mission and annual targets of the IC;
2. The composition of the membership for that year;
3. Issues and items considered by the IC;
4. Advisory commissions, their composition and recommendations;
5. Recommendations addressed to the government and parliamentary commissions;
6. The impact of these recommendations in the legislation amendments.

Article 22 Validity of the Regulation

- 22.1 The regulations becomes effective upon its discussion and approval in the first IC meeting. The approval decision is taken by the majority of the participating members in the meeting.
- 22.2 The regulation is made known to all the business organizations, public administration institutions, Council of Ministers and Parliament of Albania.

Tirana, 1 July 2015