

Draft - Minutes of Meeting

1st Meeting of the Albania Investment Council

1 July 2015, 15h00 – 17h00

July 6th, 2015

Context:

The first Investment Council meeting took place in the premises of the Ministry of Economic Development, Tourism, Trade and Entrepreneurship (MEDTTE). The meeting was organized by the Secretariat of the Investment Council and chaired by Mr. Arben Ahmetaj, Minister of MEDTTE.

Summary of the Discussions

The agenda and all relevant materials for the meeting were already shared by the Secretariat to the IC participants in advance by 15th June. In line with the Agenda, discussions were focused as follows:

1. Deregulation reform

Minister Ahmetaj made a presentation on the purpose of the deregulation reform, steps conducted so far, timeline of the reform and institutional coordination and responsibilities. The IC members appraised the presentation of the Minister. Some specific issues regarding the deregulation reform need to be considered:

- *Ambitious timeline* set by the Government for the merging of NRC and NLC. It was mentioned by international partners and business community that the process is very important and needs to be conducted carefully and efficiently, carefully coordinated among the line ministries. (IFC offered support to the Government if requested.)
- *The security of business data* in NRC to be considered while merging of NRC and NLC. (CCI Tirana).
- *The overload work of NRC*, in peak times to be analysed and considered within the new deregulation reform (CCI Tirana).
- *The restructuring of AIDA* in the context of the reform to make the reform more effective.
- *Capacity building* for the public administration to ensure an effective implementation of the deregulation reform (FIAA).
- The importance of the reform is particularly considered by the WB, which foresees *a new assistance* to the business climate and for the first time it foresees support under a conditional budget support.

2. IC Regulation

The Head of Secretariat, Ms Diana Leka introduced the Regulation of the Investment Council by focussing on the purpose, legal framework, principles and methodology of work. All the IC members welcomed the establishment of the Investment Council and its Secretariat. The main comments addressed to the format of the Investment Council and its role are summarized below:

- Keeping the *main focus* on the Investment in order to maximise the results (BoA).
- *Coordinate and cooperate* with other similar initiatives in order to use efficiently the resources and create synergies like for example IPMG, Agenda SEE 2020 etc. (BoA and EU).
- The working *relationship of the IC with the National Economic Council* (NEC) headed by the Prime Minister to be complementary by taking into consideration the level and scope of both platforms. It was well noted that while NEC remains at a higher level, covering macro wide development issues of the country, the IC will be focused on technical level and investment climate (WB).
- The inclusion of the business representation in the IC permanent membership (CCI Tirana).
- *The format of IC decisions* to be considered as recommendations of an advisory body to the Prime Minister or to the Government (WB).
- *The use of IC as a platform* for introducing initiatives and assistance programmes for the businesses by donors and government (EU).
- *The frequency of meetings* to stick to six meetings per year (FIAA).

3. IC methodology and Items for the Agenda of September/December 2015

The main discussions on the topics to be analysed by the Secretariat were oriented as following:

- Suggested areas of IC work for 2015, are in line with published business concerns;
- The *output of the Secretariat* to be presented in the format of assessment/working document/technical note with practical recommendations (IFC);
- Considering that IFC is currently working on *the bankruptcy law*, it was strongly recommended to closely cooperate in September (IFC).
- *Sectorial analyses* focused on competitiveness and productivity should also consider the complexity of informality at sectorial level (BoA and CCI Tirana).
- *Informality remains* a major concern for the businesses stimulated also by the weak rule of law. It is important to note *Corruption*, but it may come out during the assessment (FIAA).

4. Other issues

- *To be considered*: upon approval by the end of July from the Albanian Assembly of the four laws, respectively on Strategic Investment, Economic Zones, Public Private

Partnership and Tourism, it is crucial for investment climate to prepare the by-laws in time.

- The work of the IC could be harmonized with the territorial reform and decentralization and its impact to the business climate (Italian Ambassador).
- The government may need to consider the licensing of the financial entities in equity management (AmCham).

Recommendations

1. The MEDTTE is encouraged to further finalize the deregulation reform but should be very careful on deadlines, coordination and divided responsibilities because the reform is essential but remains risky.
2. It is recommended to consider the participation of the business representation as permanent member in the IC.
3. The working method of the IC should remain consultative, practical, inclusive and transparent.
4. Materials in the next IC meetings will be presented in the format of an assessment/working document/technical note with practical recommendations.

Approved:

1. *The IC Regulation, its logo, website;*
2. *Dates and items for the next two meetings:*
 - 30th September 2015: Bankruptcy Law and Tax Inspection;
 - 15th December 2015: Informality and Enforcement of Contracts.

The meeting was closed at 5:00 pm.

Annex 1: The Agenda of the Investment Council Meeting – 1 July 2015

Annex 2: List of Participants

Annex 3: Presentations of the Meeting

Annex 1

AGENDA

1st WORKING MEETING

INVESTMENT COUNCIL WORKING GROUP

Date: July 1st, 2015 **Time:** 15h00 – 17h00

Venue: Ministry of Economic Development, Tourism, Trade and Entrepreneurship,

Meeting Room – Floor IV

15:00 – 15:10	Opening Speech Mr. Arben Ahmetaj, Chair of the Investment Council/Minister of Economic Development, Tourism, Trade and Entrepreneurship <ul style="list-style-type: none"> Welcome and Presentation of the Meeting Agenda
15:10 – 15:25	Deregulation Process for the Removal of the Unnecessary Barriers for the Business Mr. Arben Ahmetaj, Chair of the Investment Council/Minister of Economic Development, Tourism, Trade and Entrepreneurship
15:25 – 16:00	Focused Discussions All
16:00 – 16:15	Presentation of the IC Regulation Working Method, Logo & Website, Plan for 2015 Ms. Diana Leka, Head of the Investment Council Secretariat
16:15 – 16:45	Focused Discussions All
16:45 – 16:55	Decision on the Next Meeting: Date and Subjects Mr. Arben Ahmetaj, Chair of the Investment Council/Minister of Economic Development, Tourism, Trade and Entrepreneurship
16:55 – 17:00	Closing of the Meeting Mr. Arben Ahmetaj, Chair of the Investment Council/Minister of Economic Development, Tourism, Trade and Entrepreneurship

Annex 2

List of Participants

Government Representatives

1. Mr. Arben Ahmetaj, Minister of Economic Development, Tourism, Trade and Entrepreneurship
2. Ms. Natasha Ahmetaj, Deputy Governor of Bank of Albania
3. Ms. Erisa Proko, Acting Head of Cabinet of Minister of State for Local Affairs/National Coordinator against Corruption
4. Mr. Genti Beqiri, Executive Director of AIDA

International Partners

1. Mr. Yngve Engström, Head of Operations of EU Delegation in Albania
2. Ms. Tahseen Sayed, Managing Director of World Bank Office in Albania
3. Elira Sakiqi, Senior Country Officer at IFC
4. Christoph Denk, Head of EBRD RO in Albania

Business Community

1. Mr. Nikolin Jaka, Chairman of CCI Tirana
2. Mr. Silvio Pedrazzi, President of FIAA
3. Mr. Marc Crawford, President of American Chamber of Commerce
4. Mr. Zenel Hoxha, President of British Chamber of Commerce
5. Mr. Giordano Gorini, Vice President of Italian Chamber of Commerce
6. Representative from the Turkish CCI in Albania
7. Mr. Agim Rrapaj, President of Agribusiness Association (KASH)

Absent:

1. Ms. Ermonela Felaj, Minister of State for the Relations with the Parliament
2. Ms. Irena Beqiraj, Deputy Minister of Finance/Appointed General Director of Customs
3. Ms. Brisida Shehaj, General Director of Tax

Honourable Guest: H.E. Mr. Ambassador Massimo Gaiani, Embassy of Italy in Albania