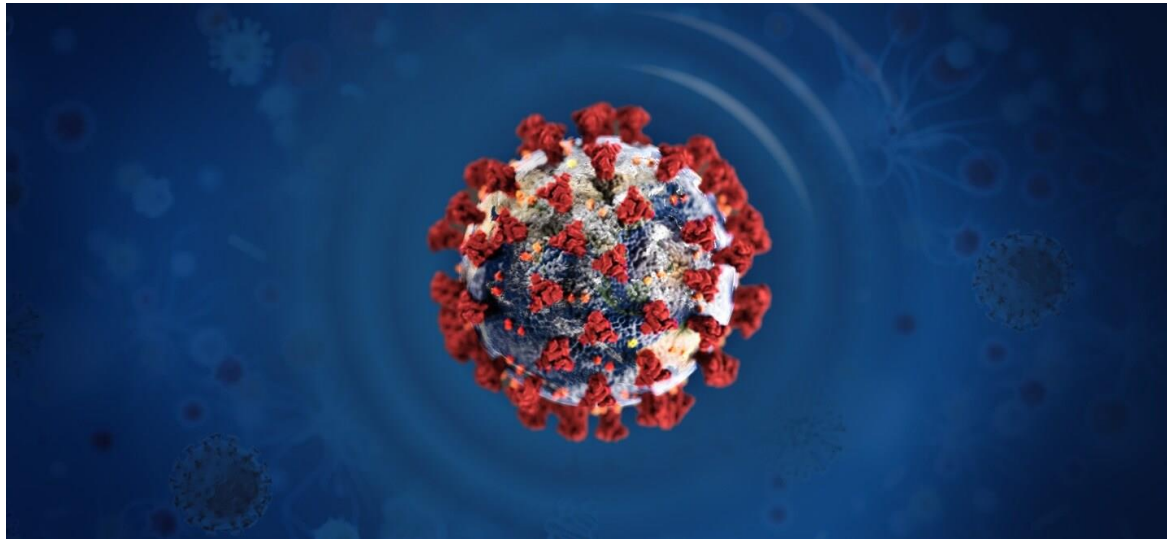




Albania  
Investment  
Council

Improving Transparency and Investment Climate



## **SURVEY “COVID-19 ON THE BUSINESS”**

**INVESTMENT COUNCIL MEETING XX**  
**Secretariat of Albania Investment Council**  
**14 April 2020**

## Objective of the Survey:

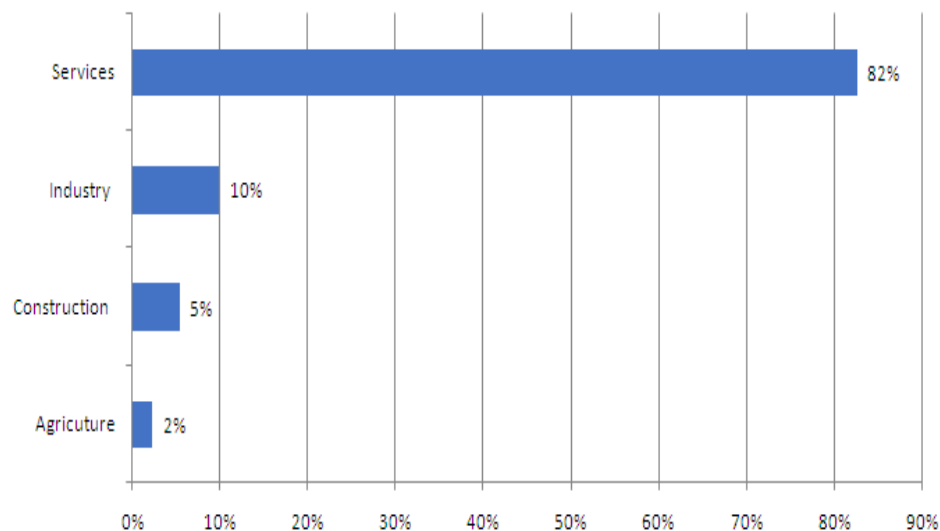
- *The survey aims to gather evidence about the possible effects of the COVID19 pandemic on business activities and to help minimize potential adverse effects*

## Methodology used:

- *Survey is structured in a total of 20 open and closed questions;*
- *Survey Distribution Method is Simple Random Sample method. We used the following distribute channels:*
  - *We posted the survey on Albanian Investment Council official website*
  - *Email invite - The Secretariat database has up to 8200 companies which were all contacted via email invitations on survey fill out.*
  - *Survey link was published on Secretariat Social Media.*
- *Data were collected online and anonymously*
  - *361 completed surveys*
- *Survey include data from March 28 to April 9*

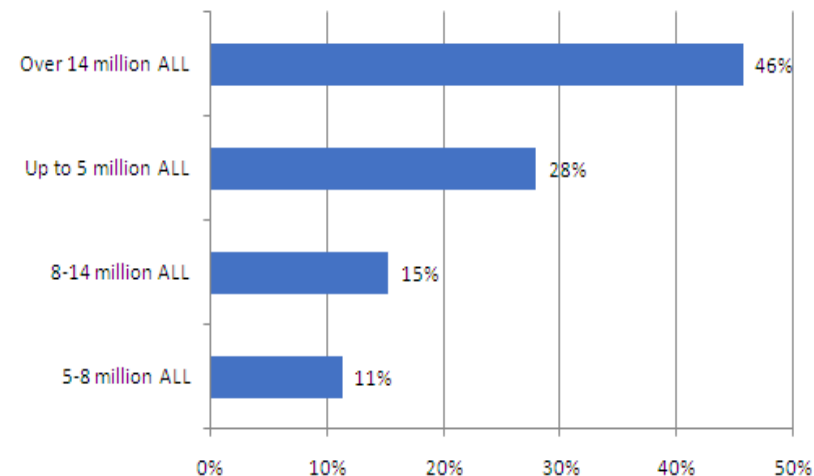
# SAMPLE

The sector that defines the main economic activity of your company



Source: IC Secretariat

The annual turnover of your company for the last year



Source: IC Secretariat

***46% of the sample represents companies with annual turnover above ALL 14 million;  
82% of the sample are companies operating in the Service Sector.***

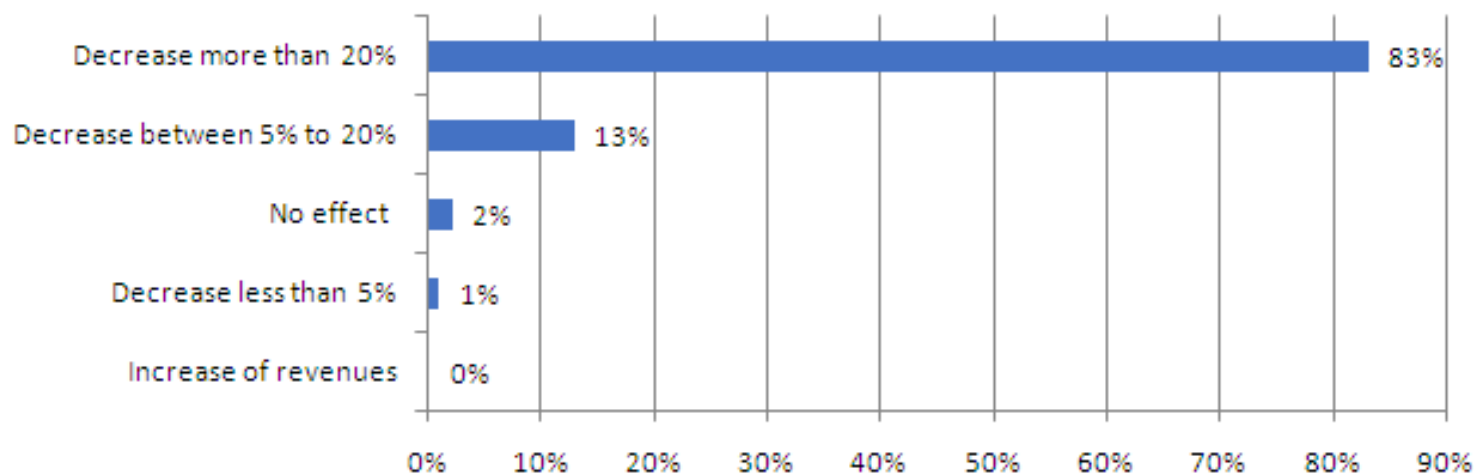
*Sample covers companies from all over Albania, although more than half of the sample are companies operating mainly in Tirana.*

# EXPECTATIONS ON TURNOVER

**83% of those who answer, estimate a decline of their annual turnover *more than 20%*; only 2% declare that their revenues *will not be effected* by the crises of COVID19.**

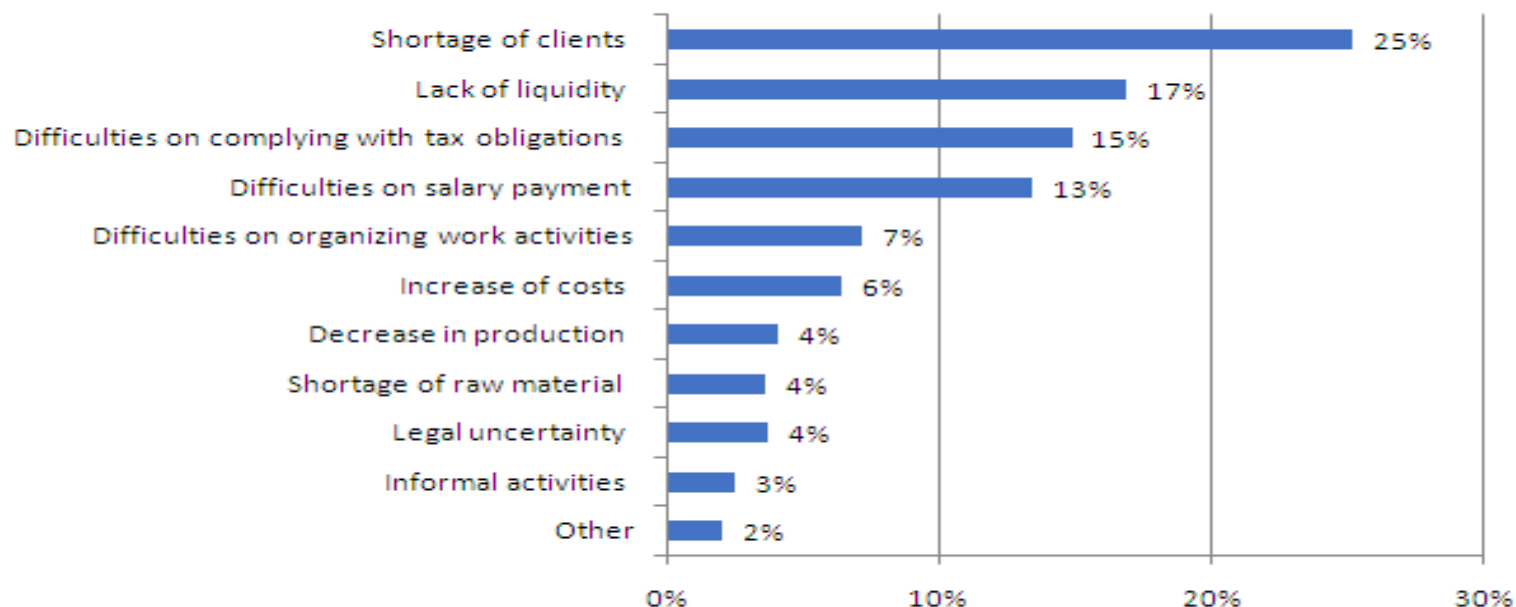
***All companies, regardless of size or sector have the same expectations***

**How do you assess COVID19 impact on your business revenues (turnover)?**



# CHALLENGES

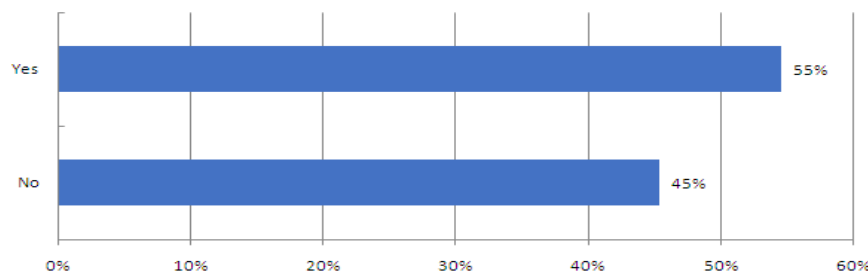
Please, specify challenges that you are currently facing



Source: IC Secretariat

# IMPORTS AND COVID19

Have you encountered any issues with the supply of raw materials from imports:

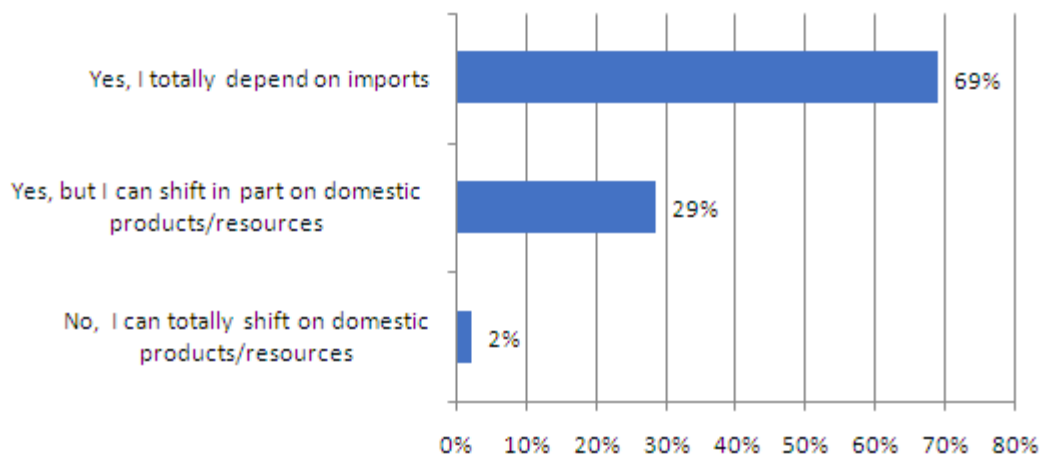


Source: IC Secretariat

**55% of importers** declare they had faced problems, **69% of which** think this will **imply difficulties** in the continuity of their business as they totally depend on imports.

Mainly problems arise from EU countries imports

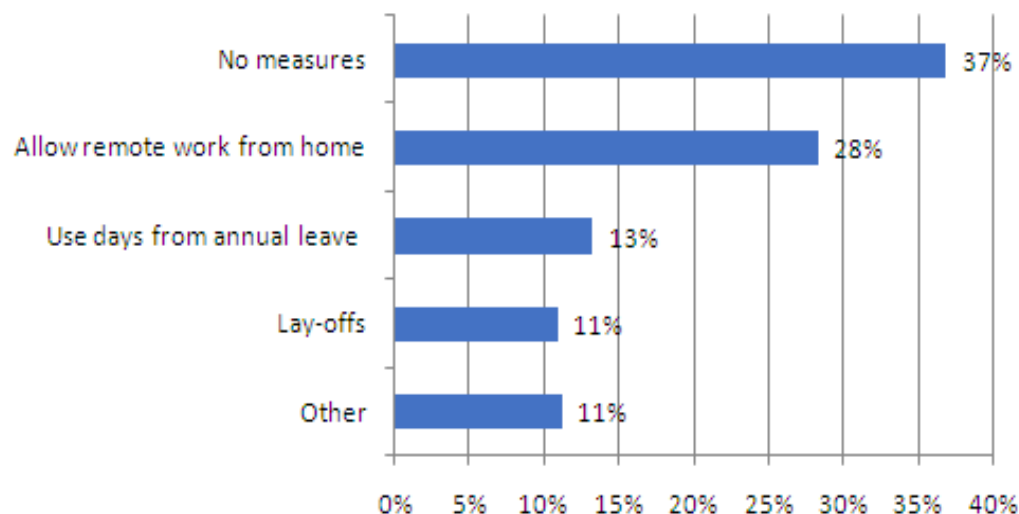
If yes, do you think your business continuity is seriously damaged:



Source: IC Secretariat

# INABILITY TO GO TO WORK

What measures did you take to address worker shortage:



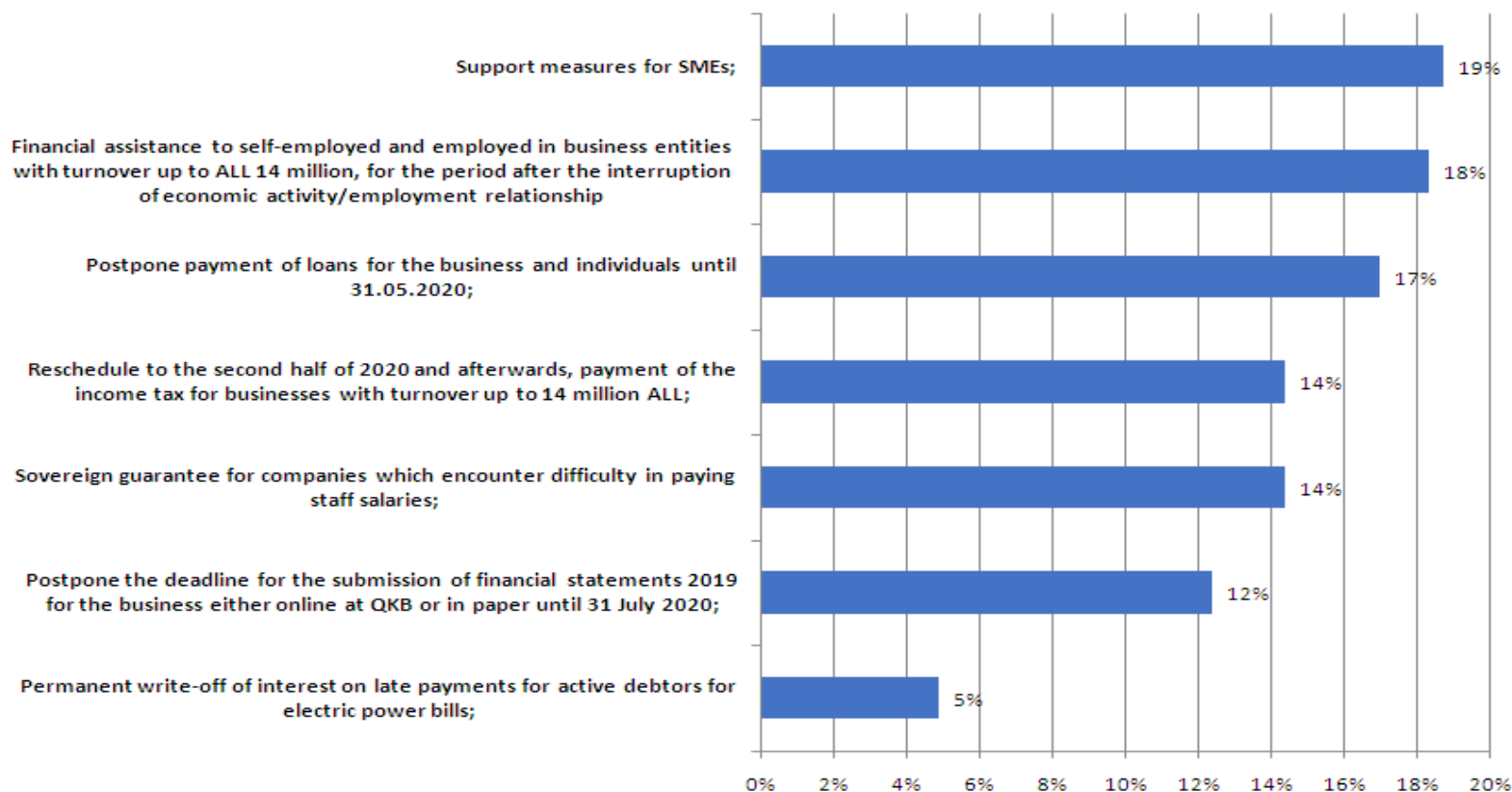
Source: IC Secretariat

***37% of companies** declare they have taken no measure to address inability of workers to come to workplace; meanwhile **28% have allow remote work from home***

*Same attitude is observed in all companies who answered, regardless of size or sector*

# GOVERNMENT INTERVENTION

Which of the following government measures will have the biggest impact - choose up to 3:



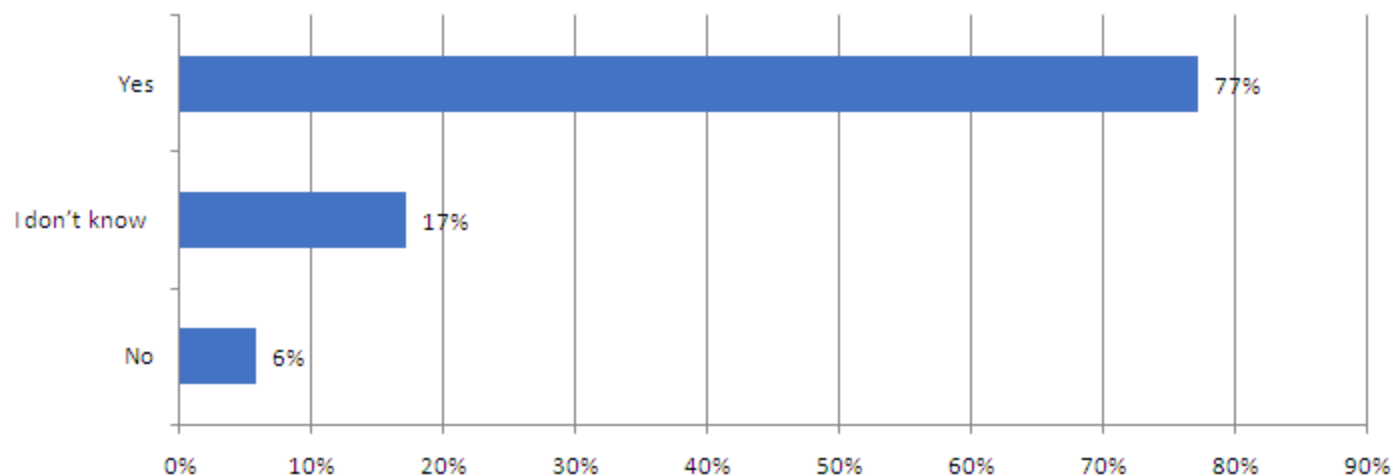
Source: IC Secretariat



# ON-LINE SERVICES

**81% of companies declare to *have used online services* and 77% of them will *continue to use online services in the future***

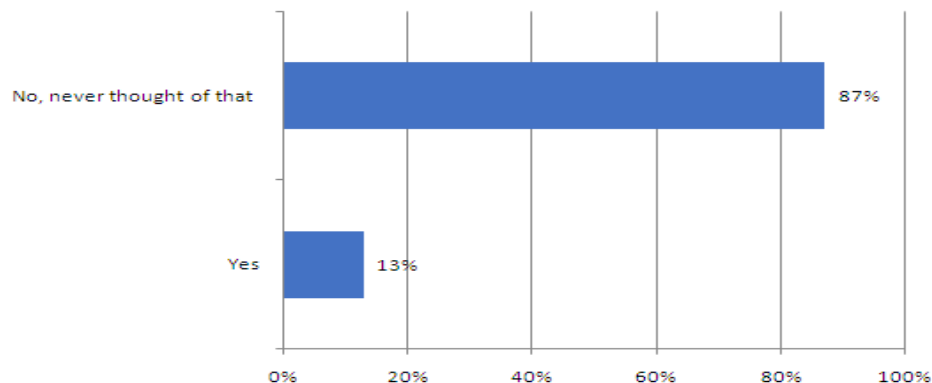
**If yes, do you intent to re-use online services in the future due to their effectiveness:**



Source: IC Secretariat

# EMERGENCY PLAN

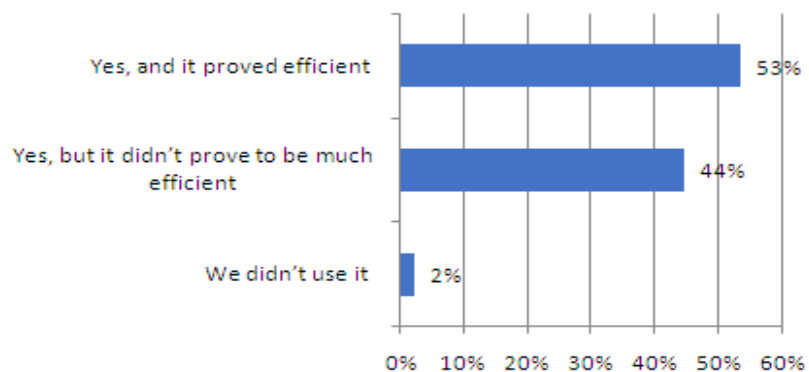
Did your company have an approved emergency plan/strategy:



Source: IC Secretariat

**87% of companies declare to *never had thought of having an emergency plan* in place;**

If yes, did you put it into action:

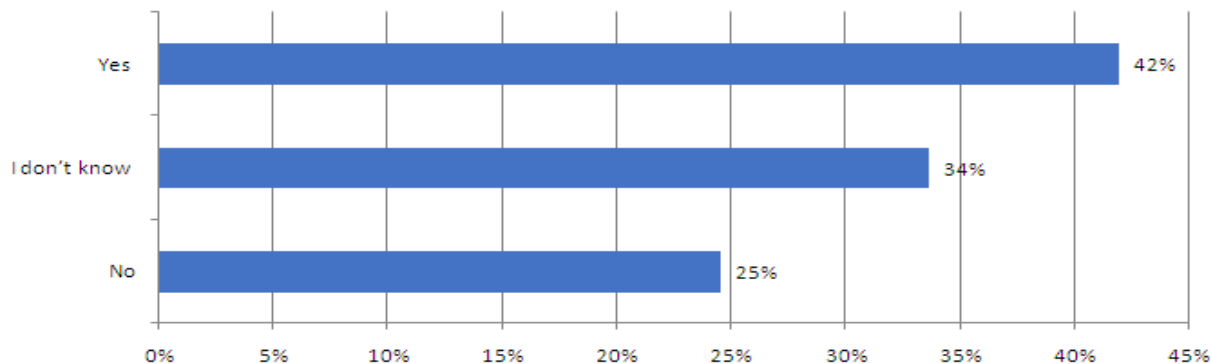


Source: IC Secretariat

**Attitude is the same regardless of size or economic sector**

# TECHNOLOGY AND BUSINESS

In the future, will your investment plan change in the direction of online services?

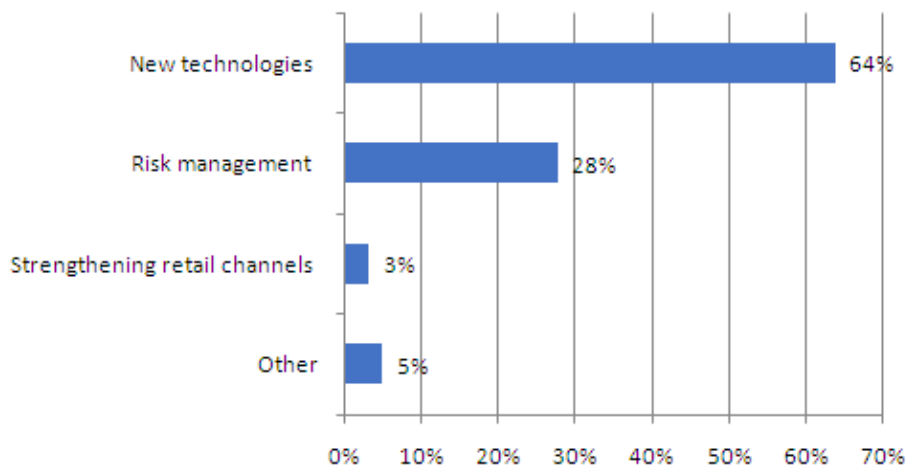


Source: IC Secretariat

**42% of companies** will change their **investments plans towards online services**, in particular the service sector.

Meanwhile, investments will focus mostly on **New Technology and Risk Management**.

If yes, investment will be focused on:



Source: IC Secretariat

# MAINTAIN FOCUS

## ✓ SUPPORT EMPLOYEES

- ✓ Wage payment, Stimulate employees to go to work; Reduction of isolation measures

## ✓ NATIONAL TAX

- ✓ Postpone fiscal payments ;
- ✓ Reimburse VAT with an accelerated procedure; Withdraw of dividend payments;
- ✓ Postpone fiscalisation;
- ✓ Accelerate Fiscal Amnesty Project;

## ✓ LOCAL TAX AND FEES

- ✓ Postpone deadline of fiscal payments - in the second half of the year;
- ✓ Reduction/Deduction of service fees for the pandemic period (at least for 3 months);

# MAINTAIN FOCUS

## ✓ ISSUES WITH COMERCIAL BANKS;

- ✓ Relax lending procedures;
- ✓ Accounts blocking;

## ✓ STRENGTHEN CENTRAL BANK ROLE

- ✓ Inflation within target;
- ✓ Strengthen the albanian currency;
- ✓ Printing of new money to stimulate consumption;

# FINAL CONSIDERATION

- ✓ Could we extend the payment of fiscal obligation?
- ✓ Could we extend payment of local taxes or could it be granted (specific sector specifically for the pandemic period)
- ✓ Could the Government (central and local), pay its obligation to the private sector, within April 2020
- ✓ Could donation of the private sector in response to the Covid-19, be consider as “expenditure”
- ✓ What could be scenarios for restart of the economy? Fiscal amnesty now?
- ✓ Improve the functioning of e-Albania for payment of “war salary” due to Cov19