



05



Albania
Investment
Council

Improving Transparency and Investment Climate

FOR FORMALISATION OF AGRICULTURE: THE WELL FUNCTIONING OF THE VAT COMPENSATION SCHEME AND PROMOTION OF INVESTMENTS

Tirana, June 2016

This working document was prepared by the experts of the Secretariat of the Investment Council in the frame of Meeting VI of the Investment Council (29 June 2016), Ms Ermelinda Xhaja, Economic Expert and Mr Elvis Zerva, Legal Expert, under the direction of the Head of the Secretariat, Ms Diana Leka (Angoni). Special contribution in the organisation of discussions with the companies in the sector and material preparation was provided by the expert Ms Valbona Ylli. Supported in the organisation of meetings with partners and language editing of the material, Ms Elisa Lula, Administrative and Communications Officer of the Secretariat. We thank the representatives of central institutions (GTD, MFE, MARD, GCD, Taxpayer's Advocate, etc.), private companies, business associations (KASH, NBF, Exporters' Association) and farmers (in Kuttalli, Saranda), and independent experts for collaborating in the analysis and preparation of this study. The views expressed herein are those of the authors and do not necessarily reflect those of the Investment Council or the EBRD.



ABBREVIATIONS

| | |
|---------------|---|
| AAC | Albanian Agribusiness Council |
| AARD | Agency for Agriculture and Rural Development |
| ACA | Agricultural Cooperation Association |
| EBRD | European Bank for Reconstruction and Development |
| EU | European Union |
| FIAA | Foreign Investors Association Albania |
| GCD | General Customs Directorate |
| GDP | Gross Domestic Product |
| GIZ | Deutsche Gesellschaft für Internationale Zusammenarbeit |
| GTD | General Tax Directorate |
| ICS | Investment Council Secretariat |
| INSTAT | Institute of Statistics |
| IPRO | Immovable Property Registration Office |
| ISARD | Inter-Sectoral Strategy for Agriculture and Rural Development |
| MARDWA | Ministry of Agriculture, Rural Development and Water Administration |
| MoF | Ministry of Finance |
| MSLG | Ministry of State for Local Governance |
| MSRP | Minister of State for Relations with Parliament |
| NFA | National Food Agency |
| NRC | National Registration Centre |
| RAD | Regional Agriculture Directorate |
| SCC | Saving and Credit Companies |
| SII | Social Insurance Institute |
| TIN | Taxpayer's Identification Number |
| TM | Tirana Municipality |
| USAID | United States Agency for International Development |

CONTENTS

| | |
|---|-----------|
| INTRODUCTION | 4 |
| CONTEXT | 4 |
| FINDINGS | 8 |
| 1. VAT Compensation Scheme | 8 |
| 2. Support schemes - as incentives for the formalisation and investments | 12 |
| 3. Other | 12 |
| RECOMMENDATIONS | 15 |
| 1. For a Reform on Formalisation which encourages investments and increases food safety | 15 |
| 2. Other – Facilitating the formalisation process | 16 |
| ANNEX 1. VAT COMPENSATION SCHEME | 18 |
| ANNEX 2. ANALYSIS OF VEGETABLE SUBSECTOR ACTORS | 20 |

INTRODUCTION

Agriculture is one of the main sectors of the Albanian economy, contributing to about 25%¹ of the GDP during 1996 – 2014 and employing about half of the workforce. Exports of agricultural products are primarily oriented on medicinal, aromatic and etheric oil plants, vegetables and fruits and have experienced a continuous increase for 2014 and 2015². Currently, the sector is part of the government's strategic priorities for development and has been provided with procedural facilities according to law “*On Strategic Investments*”³. In the meantime, agriculture continues to be one of the most informal sectors of the economy, with informality being noticed at different levels in all the chains of the production, collection, processing and trading of agricultural and livestock products.

This paper attempts to identify the formalisation of the sector in the framework of the government initiatives for the provision of TIN to the farmers, the 20% VAT compensation scheme for agricultural producers and the financial support to the

sector. The focus of the analysis is mainly related to the role and impact these measures have played in formalising farmers/collectors, structuring the market, investment promotion and food safety. In this context, this analysis aims to draw attention to specific facts and encourage constructive debate among the involved stakeholders—farmers, businesses, institutions and donors—regarding the measures needed for an integrated and sustainable formalisation of all the chains across the sector.

This document was prepared by the Secretariat of Investment Council (ICS) after performing an analysis of several legal and political documents of the government on the agriculture sector. Moreover, about 25 meetings were held during May – June 2016 with various public and private actors in the sector, providing the point of view of different stakeholders,⁴ as well as two meetings with focus groups; one meeting with farmers and collectors of vegetables (22 participants) in Samatica in Berat and another meeting with fiscal and agriculture experts in (12 participants) in Tirana. Additionally, the ICS took part in the discussions on the formalisation and problems in agriculture, organised by the AAC and attended by circa 25 farmers and their associations in Saranda, in the presence of the Minister of Agriculture and representatives of structures of agriculture and taxation.

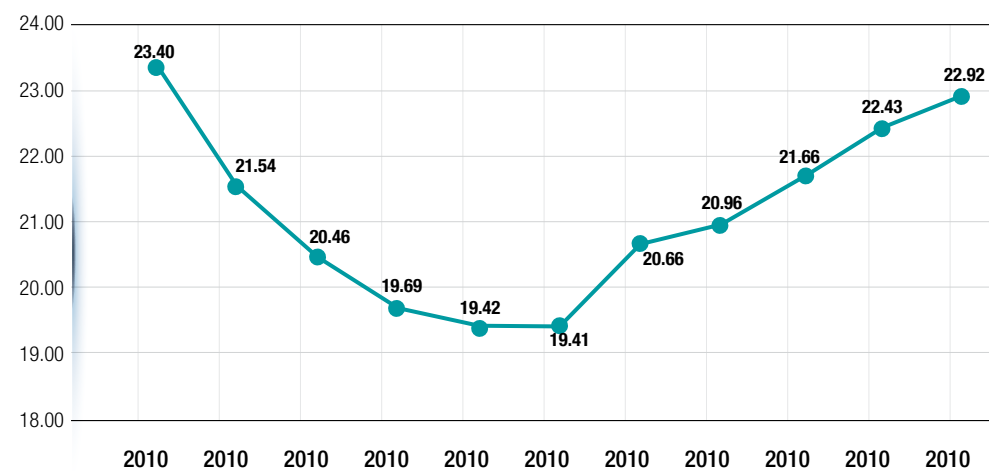
¹ National Accounts, Production Method (1996-2014), INSTAT
² Respectively with 9% and 44% for the period January – September, Data from General Directorate of Customs.
³ Based on article 8, paragraph 3, point c) of Law No. 55/2015 “On strategic investments” agriculture is considered a strategic sector: “c) The investment for “Agriculture (establishing a model of big agricultural farms) and fishing” shall be: Equal to or more than 3 000 000 (three million) Euros, and at the same time creating at least 50 jobs, for investors/ projects which will obtain the “Strategic Investment/Investor, assisted procedure” status; Equal to or more than 50 000 000 (fifty million) euros, for investors /projects which will obtain the “Strategic Investment/Investor, assisted procedure” status”;

⁴ Institutions such as the Minister of MSRP; Minister of MSLG; MARDWA; NFA; MoF; General Tax GTD; AARD, TJ, Regional Agriculture Directorates RAD in Tirana and Lushnje, INSTAT, donors, farmers, collectors and exporters operating in the sector.

CONTEXT

Several initiatives have been undertaken by the Albanian government and foreign donors such as EBRD, European Union (EU), USAID, DANIDA etc., to support investments in this sector to further encourage its production and processing potentials for both domestic and international markets. However, the trade balance for food, drinks, and tobacco products remains

negative (the export-import ratio is approximately 1:5), even though agricultural exports have constantly increased. According to INSTAT data, domestic exports of agricultural products grew substantially in 2015 compared to 2014. Precisely, 46% increase in value for the products of plants, fruit and vegetables, and 26% increase in value for the total of products in food, drinks and tobacco.⁵



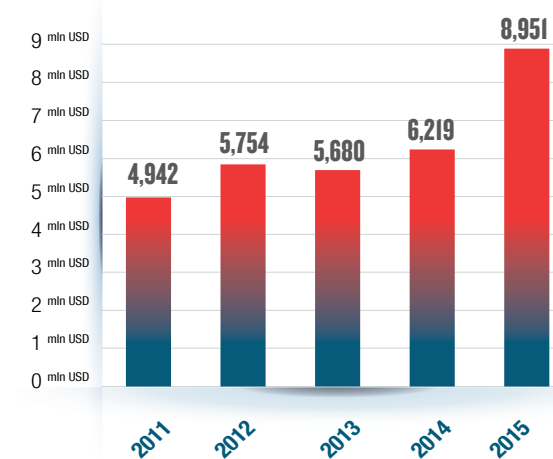
Source: INSTAT, Annual National Accounts (Production Methods), June 2016

5 Agricultural exports, INSTAT

Figure 1.
Contribution
of Agriculture
in GDP (in %),
2004–2014

**FOR FORMALISATION OF
AGRICULTURE: THE WELL FUNCTIONING
OF THE VAT COMPENSATION SCHEME
AND PROMOTION OF INVESTMENTS**

Figure 2. Exports for Products in Food, Drinks and Tobacco, 2011 – 2015 (ALL Mio)



INSTAT, Foreign Trade per Products, 1993-2015

Regardless of the positive signals from exports and the interest to expand investments in the sector, Albanian agriculture continues to suffer from very low productivity due to operating with very small farms, extreme land fragmentation that continues to build up, lack of contemporary technology and limited investments. In reference to the Bank of Albania⁶ (BoA), credits in agriculture and fisheries constituted only 2% of total credit loans since 2011 and onwards, pointing out the low investment levels in the sector. Besides that, data from the GCD indicate a slight decrease by 2% of the agricultural machinery' imports during 2015 compared to 2014.

*The Inter-sectoral Strategy for Agriculture and Rural Development (ISARD) 2014 – 2020*⁷ has foreseen the strategic framework to tackle challenges faced by the agriculture and agro-processing sectors and has guided the development of rural

areas in a sustainable economic, environmental and social way. Among other things, the strategy addresses the promotion of agriculture formalisation through support schemes and the increase of food safety through the traceability of agricultural products.

The Albanian government has a designated program in the *state budget for support schemes* in agriculture being implemented by MARDWA through AARD. The fund of support schemes for 2016 is approximately 2 billion ALL⁸ with a growth of 7% in comparison to 2015. AARD offers support in 19 schemes for agricultural, livestock and agro-processing products, in accordance with the agricultural map. These schemes are guided toward investment promotion, technological improvement, production of agricultural and livestock products, increased quality, improved product standards, and support for formalisation and agricultural cooperation⁹. The application criteria are almost the same, where the requirement to have the Taxpayer Identification Number (TIN) is indispensable in all schemes. Investment schemes and support schemes for payments of loan interests also have some more specific requirements, such as construction permits, contracts with banks, offers to implement the investment, registration in the National Registration Centre, criminal record certificate, etc.

Besides government-run support schemes, donors as well offer support programs for the sector, such as the SARED program (Danish Gov-

⁸ MoF, State Budget 2016

⁹ The basic criteria for sectors to be supported are determined by the DCM No. 91 dated 10.02.2016 "On basic criteria for determining the sectors to be supported and the amount of benefit from the program fund for agriculture and rural development for 2016", while the procedures and the manner of administering are determined based on the Joint Instruction of MARDWA and MoF No. 2 dated 17.02.2016.

⁶ Bank of Albania – Quarterly monetary policy report, 2016/II
⁷ Adopted by the Council of Ministers (CoM) in October 2014,

ernment and German Government (GIZ)), the EU's IPARD program, which is expected to start by the end of 2016. However, donor schemes, too, include requirements for the formalisation of beneficiaries as the primary application criteria, among other requirements. The AARD scheme, IPARD Like, and SARED, inter-alia serve to educate farmers and raise their awareness on application procedures so that they are ready on a second moment to apply to a more detailed and stricter application to benefit from EU funds through the IPARD program.

In 2008, in the context of the formalisation of agriculture, farmers began registering and providing them with the *"Farmer's Card"*. This process aimed to identify the farmer as the entity carrying out agricultural and livestock production activities to benefit from the support schemes. However, regardless of being equipped with the Farmer's Card, benefits from support schemes were limited due to many other reasons, which brought about the decrease in the interest shown initially for the card, resulting in about 33,000 farmers having the card, a figure that the MARDWA has also confirmed.

Formalisation in agriculture is seen also closely linked with the obligatory contributions to the Health and Social Insurance. *Law No. 153/2014 "On amnesty of late payment penalties and fines for the unpaid mandatory contributions to the Social Insurance Scheme by self-employed persons in the agriculture sector"* constitutes another effort for purposes of consolidating agricultural economies while aiming at the registration and formalisation of a considerable number of self-employed persons (including emigrants)¹⁰. In the

¹⁰ This law amnesties all interests for delayed contributions to the mandatory social and health insurance scheme, unpaid by self-employed persons in the agriculture sector, who would

meantime, according to SII statistics, the number of self-employed persons in the agriculture sector who declared their mandatory social insurance contributions is 89,527 for 2015 compared to 127,728 reported for 2014.

The institutional responsibility of data collection and processing for the agriculture sector was transferred from MARDWA to INSTAT (since 2010 to date). Discussions are being held currently about the system to bring it back to MARDWA's responsibility. The collection and processing of accurate data for the sector is essential in analysing agricultural and livestock production, the entities dealing with production activities by subsectors or mixed subsectors, product processing, volumes of exports, volumes of imports, and the monetary values generated by the sector, etc. Such data are the basis for more detailed analyses and policies designed to support the agricultural sector. INSTAT's administrative data sourced from MARDWA indicate that there were 352,315 farms across the country in 2014. However, in meetings held, agriculture experts placed a question mark on these statistics, considering that the main criterion for identifying farms and farmers is the principle of agricultural land allocation under law 7501. Problems related to statistics in the agricultural sector were also identified by the European Commission 2015 Progress Report. It is recommended that *the country should improve statistics in the agricultural sector*.

Law no. 38 / 2012 "On Agricultural Cooperation Associations" (ACA) tends to encourage formalisation and cooperation of Albanian farmers. The established ACAs under this law are subject to fiscal incentives and support schemes. Currently, it turns out that only 58 ACAs are registered

pay unpaid contributions by 31.12.2014.

at the National Business Center. However, there is scepticism from the people met on their activities, alluding to a much smaller number that operates in reality. In practice, ACAs themselves are unclear as to what advantages they have, as long as secondary legislation does not provide fiscal incentives or subsidies intended exclusively to them.

Savings and Credit Companies (SCCs) and Unions collect deposits and grant favourable loans to their contributing members, especially in rural areas. The number of SCCs has continued to decrease due to the liquidation process for some of them. Currently, there are 113 SCAs and 2 Unions of theirs operating. The share of loans provided by this network represents about 0.80% of loans of the banking system in the Republic of Albania¹¹. SCCs and Unions are considered as an alternative in terms of *access to credit* related to investment in agriculture and awareness of formalisation. However, their lending value for the individual remains small and insignificant for considerable investment in agriculture.

In the framework of the fiscal package in agriculture and efforts for the formalisation of the production chain and trading of the agricultural products, the Ministry of Finance has approved instruction no. 19 dated 03.11.2014 *"For the Implementation of the Special Regime for the Compensation Scheme of the Agricultural Producers for Value Added Tax Purposes"*. The scheme was developed on the basis and for the implementation of the new law no. 92/2014 dated 24.07.2014 *"On Value-Added Tax"*¹².

¹¹ Source: Supervision Annual Report 2014 of the Bank of Albania

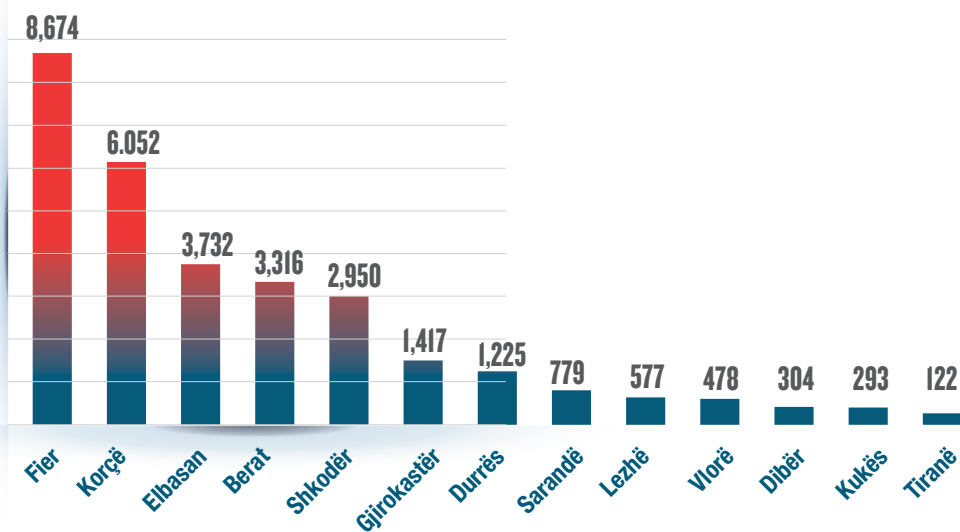
¹² Governments have continuously made efforts to help out agriculture sector, and on issue is removing or reimbursing VAT of agricultural inputs. Therefore, the Law No. 111/2013 "On Several Addendums to Law No. 7928, dated 27.4.1995 "On the Value Added Tax", as changed, foresaw as excluded supply

The scheme was designed to enable VAT compensation for farmers as a direct incentive for them. Its purpose is to cover the VAT paid by the farmers for the purchase of inputs and services for producing agricultural products. The scheme foresees farmers' compensation based on the preparation of the auto-invoice by the collectors. Instruction no. 19 dated 03.11.2014 in a short period, has been three times subject to changes by the Ministry of Finance (Instruction no. 23 dated 07.09.2015; Instruction no. 26 dated 26.10.2015 dhe Instruction no. 10 dated 03.05.2016). These changes intended to resolve promptly those confusions which arise in practice. Among others it was gradually shifted from the possibility of making transactions (payments) between collectors and farmers only through the Bank, toward alternative ways through Albanian Post and payments in cash by tackling the concerns of farmers and collectors. In Annex 1 is summarized the functioning of the scheme and its actors

According to the latest data from the GTD, the number of registered farmers until April 2016 was 29,919 (Figure 3).

a string of agricultural and livestock inputs purchased by the farmer. However, due to the lack of a clear vision on these incentives, the Law No.142/2013 approved on 02.05.2013, just a few days from approving the Law No. 111/2013, abrogated the latter one. The new law on VAT No. 92/2014 dated 24.07.2014, agricultural inputs were not excluded by VAT, but it simply changed the scheme of compensation which was based on Instruction No. 19.

Figure 3. Farmers registered with Taxpayer Identification Number (TIN) according to Regional Agricultural Directorates



Source: General Tax Directorate

According to the General Tax Directorate reporting, there is a growth in the dynamics of purchases from farmers with TIN in line with the growing number of registrations. However, it is difficult to judge the scheme's effectiveness based on the purchase's declarations because the

period is limited to 18 months, and the data is also influenced by the seasonality of the production in agriculture. According to the GTD, the VAT compensation value is estimated circa 627 million ALL from the moment of application till today.

FINDINGS

All contacted actors confirmed the need for a thorough reform in the agriculture sector that covers all the chains; otherwise, fair competition would be damaged, and standards about food safety will be put in question. From another point of view, the formalisation of the sector relates to strengthening traceability by guaranteeing thus food safety for the end consumer. According to this point of view, ensuring food safety in accordance with EU standards will impose the formalisation of the entire chain and will result in an increased competition of Albanian products in the regional and international markets by boosting thus investments in agriculture.

- 1. VAT COMPENSATION SCHEME
- a. Positive aspects of the scheme
- 01. Unlike the previous schemes (before 2014), one of the most important actions undertaken in the current instruction was the VAT acknowledgement for compensation purposes of the agricultural products by 20% compared to the previous 6% for agricultural producers and collectors, by defining in

detail the way of functioning of the respective scheme and by creating uniformity in the application of VAT. The new instruction is seen as an opportunity to create new, formal and safe markets for the farmers by providing them with TIN and a compensation of 20%. The previous schemes aimed at providing support to the farmers by providing only 6% of reimbursement, but on the other hand that incurred additional costs for the collectors, for whom it was impossible to charge (except to the final customer) with the difference of 14% between the VAT in the purchase and the sale of the product.

- 02. The scheme's reimbursement rate of 20% is deemed to balance and neutralise the payable VAT for the collector and processor by encouraging the latter to issue a VAT invoice (by crediting it). It increases the farmer's interest in obtaining a TIN, for this scheme, in the Regional Tax Directorate, increases his interest to obtain the auto-invoice, VAT inclusive, by the seller (collector/processor) because it allows for the sale of products to the latter at a higher price (20%

more), as well as making it more practical for the farmer to receive the subsidies and be also monitored by the structures in charge of the incentive schemes in agriculture, which have as a prerequisite the provision with TIN.

03. ***The scheme has alleviated exporters.*** The combination of this measure with some procedural facilities such as **classification with zero risks of exporting collectors** according to the criteria established in DCM no. 953 dated 29.12.2014 “On the implementing dispositions of the law no.92/2014, “On the Value Added Tax in the Republic of Albania”; **the exemption from VAT in the import of agricultural machinery**¹³; or **24-hour customs service for the export of agricultural products**; and **classification of the agricultural products to the “green channel”, waiving customs checks**, has created a favourable climate for the business in the agricultural sector. Thus, during 2015, an **increase in the exports**¹⁴ in plants, vegetables and fruit to 46% is noted.

04. ***Provision with TIN for the purposes of this instruction does not make the farmer liable to any tax or fiscal obligation*** but creates an opportunity for the farmers, on the one hand, to secure a market and sell their products at a higher price to formal and identified subjects (companies); on the other hand, it strengthens the role of the collectors of agricultural products as intermediaries between the

farmers and exporters/traders by enabling/creating new and safe markers for the agricultural products of farmers.

05. ***Allowing sales transactions in cash, up to the amount of 30,000 ALL.*** Even though there is a lot of debate on the effectiveness of this threshold, **the automatic reimbursement of VAT within 30 days**¹⁵ for exporters of the agricultural products which are classified as zero risk subjects and the possibility to issue **electronic computerised invoices**, represents an improvement of this scheme to make it more attractive to all the stakeholders.

b. Problems found in the implementation of the scheme in practice

01. ***Insufficient information and awareness of farmers on the registration with TIN – reduces the efficiency of the scheme***

The campaign launched at the end of 2014 for the registration and TIN obtaining of farmers was accompanied by a substantial number of registrations at the end of 2014 and during 2015. According to interviews with the farmers, we can say that the registration with TIN is a result of the “pressure” and role of the collector and processor rather than a reflection and awareness of the farmer on his benefits from the VAT scheme. Another reason for the past registrations was the introduction of TIN as an application criterion for benefiting from all agriculture support schemes designed by the Albanian government through AARD and donors.

15 The sum of 20% paid to the farmer for the norm of compensation for purchasing his products, but also any VAT sum paid for general expenses that exporter makes in the framework of his activity, is reimbursed within 30 days. Thereof, this business has the opportunity to expand its own processing and exporting capacities.

13 According to the specifications of Article 56, paragraph 41 of the Law No.92/2014 “On the Value Added Tax in the Republic of Albania” (as changed) and Article 8 of DCM No. 953 dated 29.12.2014 “On implementing provisions of Law No.92/2014, “On the Value Added Tax in the Republic of Albania”

14 Exporting collectors are not excluded from the benefits of this Scheme, benefiting in this way not only the opportunity to compensate VAT but also from the regime of exports in the Republic of Albania, according to which the VAT for export is 0.

In the field, we noted a lack of professional informing or even misleading information to the farmers. There is a perception among the farmers that getting a TIN is associated with the obligation to make a declaration for tax purposes, whereas the instruction clearly explains that the farmers are exempted from this administrative burden. Despite that, the provision with TIN also means the establishment of a relationship between the farmer and tax authorities, **which requires a certain level of understanding of the notion and the functioning of the individual as a taxpayer**. Considering that 76%¹⁶ of the rural population over 14 years old have completed up to ten years of education, it is necessary an intensive awareness and information campaign on their obtaining of TIN, on the role of TIN in relation to the tax authorities, and other stakeholders, as well as to the inclusion in VAT schemes. The majority of the farmers¹⁷ contacted by ICS admitted that they have not received any advice on how this compensation scheme works and the procedural requirements of registration for the purposes of this scheme or provision with TIN¹⁸. ***They perceive the obtaining of TIN as very difficult due to some procedural requests such as receipt of the certifications in RAD and later the registration at RTD, which in some cases are far from their living area.*** The farmers were sceptical about the benefits that could bring the provision with TIN. They fear to register in the regional tax directorates as they do not believe that the provision with TIN will not be fol-

16 INSTAT, 2011 Census

17 This fact is confirmed by the farmers and their associations, including KASH in their meetings held in Samaticë- Kutalli Commune and in Saranda.

18 In other occasions, such as Lushnjë, the process of information, awareness and information of the farmers by the respective structures, (Regional Directorate of Agriculture and Tax Regional Directorate) has been much quicker and more coordinated.

lowed by tax obligations and audits, even though the scheme guarantees no administrative and fiscal burden for the farmers with TIN which have an annual turnover of up to 5 million ALL.

02. ***Although the instruction is clear, there is still confusion over TIN registration – Farmers’ Card – Farm Register – ID Card***

Under the current conditions, the farmer has an available Identification (ID) Card (as every citizen of the Republic of Albania), the farmer’s card as well the TIN, which creates confusion to the farmer over their use. As reported by the collectors of the products (who prepare the auto invoices), the auto invoices can be issued at the address of the TIN holder, the address of the holder of the farmer’s card or the holders of ID cards. A collector of vegetables informs us that he collects products from circa 120 farmers who have been provided with a TIN, and 500 farmers who have not been provided with TIN, by referring to their ID number. A company that collects herbs, medicinal and aromatic plants from 300-400 farmers prepares auto invoices with TIN only for 15% of them, while for the rest of the farmers, the auto invoices are prepared by referring to the number of ID Card.

03. ***Different perceptions on the beneficiaries of the VAT compensation scheme***

According to the majority of the collectors and processors, the scheme works in practice, while farmers claim that the scheme can be functional only for the collectors and processors and not for those who sell their products at the same price as they did before the implementation of this scheme.

04. ***Collectors, processors and traders underline the lack of preliminary information on the procedural aspects which have a financial impact and increase the distrust in these initiatives.***

Even though instruction 19 provides simple administrative procedures on how the reimbursement scheme works and is applied, it is found that some of the collectors, processors and traders lack information on some procedural aspects, which are indispensable for the functioning of the scheme and its implementation in practice. Specifically, the agricultural businesses in Saranda claim that there has been no preliminary information by RAD or RTD regarding the documents to be submitted to apply for VAT compensation.

According to them, in the absence of guidance, information and advice from these structures and misleading information, they have bought agricultural products through auto invoices by the farmers equipped with TIN, but missing the agreement act with the farmers, which is clearly specified in the instruction. Due to the absence of this documentation, their applications in the RTD Saranda on VAT compensation have not been considered, thus incurring financial losses and making them subject to penalties. According to them, the core of the problem is not the scheme in itself and its conception, but the deep lack of information and of clarity from the responsible structures in conveying the application requirements of this scheme into practice. Under these conditions, there is growing scepticism among these businesses on the goal of this scheme, from a way of receiving benefits to a means of imposing penalties by the administration.

05. *Although it is too early, there are reactions on the low threshold for cash transactions of 30,000 ALL that may create artifices to adapt to the scheme*

All the stakeholders have welcomed the re-

vision of instruction no. 19 on allowing cash transactions between the farmers and the collectors, processors and traders, at the threshold of 30,000 ALL. However, the limit for cash transactions due to the application of the VAT compensation scheme still remains a concern for both parties (farmers and collectors, processors and traders). According to the farmers and collectors, the concern relates mainly to the difficulties and costs for both parties that run their economic activity in remote rural areas in accessing banking services that are mostly concentrated in urban areas. Thus, the farmers in some cases have introduced some artifices by fragmenting the real business transactions to a value of 30,000 ALL or by performing transactions using the TIN of each other.

06. *The existence of informal parallel wholesale markets – unfair competition for the licensed collectors*

According to collectors, especially in the traditional agricultural areas (Lushnje and Fier), it is noted the phenomenon of the informal wholesale market, where farmers themselves, in search of a higher price for their agricultural products, sell without any type of documentation by not sending their products to licensed collection sites. Referring to FIAA and Albanian Savings- Credit Union survey in 2014¹⁹, circa 50% of the farmers directly sell their product to the markets or street. According to the perception of important actors of the field such as farmers, collectors, processors, or other state structures like RAD and municipalities, the current market model and its moni-

¹⁹ FIAA, ASC Union "Albanian Agriculture seen from the everyday farming: a Survey on Albanian farmers and EU exports" support by EU, July 2014

toring do not function in terms of food safety and prices. The collectors claim that another informal way is the purchase of agricultural products from the importers (mainly from Kosova and Macedonia) directly from the agricultural farms. These importers are willing to pay a price even higher than those of the Albanian collectors or pay the same price as the Albanian collectors by not requesting from the farmers the preliminary quality selection of the agricultural products. These concerns of the collectors were discussed even in the meetings of ICS with the farmers. The latter admit this fact, but according to them, this situation is conditioned by the unfavourable prices established by the big collectors. These prices, in many cases, are abusive and below the actual cost of their agricultural products.

According to the farmers, the domestic agricultural products have a higher cost than the agricultural products in other parts of the region, as in the countries of the region, there are lower prices of agricultural inputs²⁰, and there is a higher level of direct subsidies for the farmers. There is a general perception that being informal leaves you out of the 'radius' of the control of state institutions as you are unidentified. A persistent problem is the site of collection and milk and meat processing. Many of these informal entities avoid the standards required by law by decreasing the food safety for the consumer. In addition, the existence of these informal parallel markets has allowed the farmers to avoid the formalisation and registration with TIN.

²⁰ They have a lower VAT on agricultural inputs than Albania: f.eg. Kosovo 0%, Macedonia 5%, Serbia 8%, Montenegro 7%

3. SUPPORT SCHEMES - AS INCENTIVES FOR THE FORMALISATION AND INVESTMENTS

a. Despite the growth in the last 2 years – the budget is limited

Despite its growth during the last two years (by 50% in 2015 and 7% in 2016), the fund of support schemes of the Albanian government for agriculture remains low (circa 15 mln EUR for 2016) and much lower than in the neighbouring countries (Macedonia 150 mln EUR, Kosovo circa 60 mln EUR), making Albanian agriculture less competitive in the region. Under these conditions, even though the farmer might have met the criteria, the opportunities to benefit from the schemes are reduced by decreasing the applicants' trust.

b. Simplification of the procedures on the applications, especially for the farmers

Farmers consider the application process complex due to the need to fill out many documents and go back and forth from one institution to another. Such criteria, as the criminal records certificate, registration extract from the National Registration Center, construction permits, in case of support for investments, or certification from the Energy Distribution System Operator, the farmer's certificate or the farm register, the social insurance attestations etc., can be avoided by implementing direct **online** verifications from the institutions, or access to their respective databases, to allow the farmers to concentrate on drafting business plans or receiving the construction permit, or property certificate. While the expenses incurred and the time spent by farmers to process the application file are the same, despite the value of the support requested.

The 30-day application deadline for the incentive scheme, especially the investment schemes, is considered limited due to the aforementioned bureaucracies.

3. OTHER

a. The persisting issue of agricultural land parcelling - a problem for sustainable investments

According to INSTAT, in 2014, compared with the previous year, an increase by 0.4% in the number of farms was noted, followed by a decline of average farm size by 0.6%²¹. Agricultural land in which a farming family operates in Albania is currently limited to an average of 1.16 ha. The size and fragmentation into several parcels (average 3-4) for any agricultural economy is a significant impediment to the rise of economies to the level of competitiveness in regional and European markets.

b. Lack of land ownership titles and dynamics of local government reform

The shortcomings in the official registration of agricultural land and lack of property titles (land deeds) are one of the issues that effects informality, the establishment of the land market, the lack of investment and the application of the current support schemes and those expected to be realised through EU/IPARD and ARDA program²². *Farmers report difficulties acquiring the title deeds as there are many inaccuracies among the cadastral maps and the actual division and land use situation.* With the new

territorial reform, the municipalities are in charge of preparing the farmlands' footprint and informing farmers on the registration process of agricultural land. In this aspect, it is evidenced that municipalities have made some efforts to raise the awareness of rural communities to obtain title deeds for agricultural land by applying to the municipalities with the relevant documentation. Municipalities will cover administrative procedures and institutional coordination in cooperation with the Local Offices for Immovable Property Registration (IP-ROs). The conclusion of this process requires, of course, time.

c. The terms and specifications of construction permits in agriculture

Obtaining the construction permits and the related procedures is considered problematic and a hurdle to sustained investment in agriculture, particularly attracting foreign grants. Among the requirements for application for the support schemes is the permit for the construction of buildings, stalls, processing stations, warehouses, refrigerating rooms, etc. Referring to the Albanian legislation for the construction sector,²³ the procedures are unified both for residential and industrial buildings. However, the recent lifting of bans on construction permits by the Municipality via the adoption of DCM no. 271 dated 06.04.2016, which is intended to create and put into use the Electronic Permits System²⁴, allows the procedures for permit application as well as

²³ Law No. 107/2014 "On Territorial Planning and Development", DCM No. 408 dated 13.05.2015 and DCM No.271 dated 06.04.2016 and DCM No. 283 dated 1.4.2015
²⁴ Starting from September 1, 2016 each and every application for construction permit will be made through the electronic portal.

²¹ Source: INSTAT: Agriculture and Animal Husbandry for 2014. Press release Tirana, June 22, 2015

²² One of the main criteria of supporting schemes for farmers is that the applicant farmers must be equipped with the title deeds certificate of the agricultural land.

the procedures for application review and approval to be conducted electronically. This constitutes a positive step. All the adopted and effective legislation for territorial development and planning, which provisions state clear deadlines and the principle of *tacit approval*²⁵ from the City Hall, is expected to create new opportunities, reduce the current red tape as well as help in terms of the general scope of construction related to agriculture.

d. Violation of food safety for the consumer – e.g. the quality of agricultural inputs

The formalisation of the agricultural sector carried out in the whole chain of stakeholders involved, including input providers, producers, collectors, processors, traders, etc., also brings about the premises for enhancing the quality and standards by enabling them to create traceability of the production. From the information received in the field, *there are serious problems pertaining to the quality of agricultural inputs, especially drugs, fertilisers, chemical preparations, livestock food, seeds, young plants, etc. In many cases, agricultural pharmacies impose abusive and very high prices, sell uncontrolled products, and do not provide the farmer with the cash register receipt or tax invoice.* Since the non-registered farmer does not prepare the tax invoice in the sale, the farmer shows little interest to obtain such a receipt or tax voucher when purchasing inputs or services. It is worthy of mentioning here the critical issues raised in the milk processing

²⁵ According to Article 44.3 of Law No. 107/2014 the construction permit is considered approved tacitly if the relevant authority (Municipality) does not make a decision within 60 days from the day of application and in case that the competent authorities, responsible for the planning under the local authority has not presented a negative opinion pertaining the request.

industry where a considerable part of the processing lines is informal and does not operate under the control of public institutions. Therefore, abiding by the formalised procedures during the sale transactions in all its components becomes a prerequisite to ensure the delivery of a safe and quality product to the end-user - the consumer.

Farmers express concerns that they have no information on governmental initiatives and programs to assist them and find no support regarding the quality of seeds, pesticides, crops to be planted, nor consultancy support in their economic activity. Referring to FIAA and Albanian Savings and Loans Union's survey (2014),²⁶ about 90% of farmers do not regularly do the tests of their agricultural land. Also, awareness of their fiscal contribution and the financial book-keeping remains very low, thereby creating difficulties in drafting business plans and applying for finance programs.

e. Uncertainties over the function, role and interpretation regarding ACAs

From discussions with focus groups, it is evidenced that Law on ACA is not clear to actors; just interpretations to this law are made on subjective criteria. While in practice, ACA enjoys no clear advantage compared to LLC, the law still provides fiscal incentives that should have been cleared by the by-laws, which are still missing. Thus, in Saranda as reported are established the first ACAs in agriculture, livestock, forests, pastures, etc. Still, due to the above unclarities, they have ceased to exist and are facing liabilities problems with tax authorities.

²⁶ FIAA, ASC Union "Albanian Agriculture from the Perspective of Everyday Farming: a Survey on Albanian farmers and EU exports" supported by EU, July 2014

f. Unclear statistics on the farmer's register and the agricultural activity in the country

The meetings with public institutions and agricultural experts highlight the lack of comprehensive and unified data associated with agriculture. IN-STAT data show MARDWA administrative data, whereas the results of statistical surveys in the field are not published yet. It is not clear whether

the farmer is identified with the farm as the latter is defined by law no. 9817, dated 22.10.2007 "On Agriculture and Rural Development"²⁷. Also, the meetings of the ICS have highlighted that there is still no consolidated register of farms that would correspond to farmer's card or TIN that monitors his economic and/or production activity, the surface area of used land, putting thus in question the data related to the sector.

²⁷ A 'farm' is the basic economical unit in agriculture and economical activities related to it. It is a land area or activity that is dedicated mainly to the production and management of food or livestock products.

RECOMMENDATIONS

FOR A REFORM ON FORMALISATION WHICH ENCOURAGES INVESTMENTS AND INCREASES FOOD SAFETY

01. To establish a working group (task force) to carry out in-depth studies and analysis on the issue of formalisation and functioning of the VAT scheme in a pilot area of intensive agricultural activity (for example, in an area with a higher number of registered farmers), a process which an economic and social impact analysis should accompany. The analysis results should be documented in a clear plan of measures over time and well-coordinated among the main actors involved in the process, considering the formalisation as a necessary and irreversible process.
02. To specify clear, unique data on the farmer and his register and the vision on steps to be taken forward by the authorities' i.e. if there will be any link between TIN and farmers' land. The immediate need to solve this problem was underlined in the meeting held with public institutions and agriculture experts. The 2015 EU

Progress Report²⁸ emphasised on the need of registration of the farm as soon as possible, on the basis of which are determined the real number of farms and farmers. However so far there is not any tangible and final result which addresses this problem.

03. To prepare and put in practice: modules through which the registration of the farmer and the farm is linked to TIN and for an efficient VAT compensation scheme.
04. It is recommended to be established a one-stop-shop platform that provides specific assistance to farmers on fiscal and financial education. Later on, the platform can be used to eliminate the use of paper documentation that banks require for financing purposes.
05. It is recommended that formalisation be closely linked to the traceability of products and food safety, where particular importance is given to the preparation of technological cards. This recommendation should be closely considered in the light of the recommendations approved in the IC Meeting of December 2015,

²⁸ This recommendation is articulated also by other public and private institutions.

which tackled the formalisation, even specifically referring to the milk sector.

06. Property remains a hurdle for more productive investments covering large agricultural surfaces; therefore, IPROs, Municipalities, and the Ministry of Agriculture should prioritise advancement in this process. Even though farmers are now more aware of addressing the Municipalities for the registration of the land, there are still impediments in the sources that municipalities have allocated for this process and discrepancies between maps blueprint and land in the field.
07. *It is recommended that local government units, in the context of new responsibilities and wider territorial coverage, take measures to create special markets for farmers to promote products that are characteristic of their area and enable control of the traded products.* It is recommended that pilot models be implemented in several municipalities, which Tirana Municipality is currently attempting. Opening several parallel markets in different locations of local units will avoid the oligopoly created by wholesale markets and several traders vis-à-vis farmers.

OTHER – FACILITATING THE FORMALISATION PROCESS

01. *To enable within a short-time-term online verification of farmers' certifications by the Regional Agriculture Directorates. Clarification and awareness on the TIN.* It is recommended to relieve farmers from the obligation of applying for attestation of the farmer before regional agriculture directorates and to carry out the verification among institutions electronically. Additionally, the Regional Tax Director-

ate, the Regional Agriculture Directorate and agro-industry associations should intensify the information campaign and provide clearer details to farmers on the TIN, what TIN serves for and how the procedures work.

02. *To take into consideration an increase of subsidies in production and facilitation of procedures for this scheme.* In meetings held with farmers, they have appreciated the subsidy scheme based on the sale invoices of produced quantities as a very good measure that encourages formalisation. Therefore, it is recommended to consider extending it to a certain threshold based on production for a wider group of farmers, as a direct formalisation incentive, for instance, to simplify the requirements for this scheme by submitting the auto invoice of the collector/processor and not the rest of documents.
03. *Assistance in simplification of application procedures in subsidy schemes, especially on investments.* for instance, for the winning applicants, requirements/attestations such as the Criminal Records Certificate, the Extract from NRC or proof of having paid obligations to the Energy Distribution System Operator, social insurance and taxes can be carried out by AARD itself to relieve farmers from going back and forth to institutions.
04. *Due to the seasonality of the sales in agriculture, it can be further considered the increase of the limit for transactions in cash above 30,000 ALL.* This request was brought to the Secretariat from farmers and collectors following their inability to access finances. Therefore, it is suggested that this issue might be subject to revision after a transitory period of 1-2 years, which is estimated as necessary to verify the efficacy of the current threshold.

05. *To facilitate scheme implementation for farmers and collectors. Buyers (collectors) of agricultural products should be no longer obliged to inform the tax authorities in advance of the agreement between parties.* Because the process of buying and selling in rural areas is still unconsolidated, where relations among farmers and collectors are still made occasionally, the implementation of the provision, as currently provided in the instruction, is challenging and not realistic. It is recommended that the agreement between parties (the buyer of agricultural products of the farmer, taxable person and farmer) be drafted and printed out when the selling and purchase are executed between the parties and at the moment the collector prepares the auto-invoice.
06. *To identify informal markets and informal collection points of agricultural and livestock products, which engage in unfair competition and avoid legal standards.* The coordination among the NFA, the Regional Tax Directorates and Municipalities is necessary to prevent informality in trading uncontrolled ag-

ricultural and livestock products. Referring to recommendations received in meetings, formalisation in the agro-industry should begin from the final product, i.e., from the retail and wholesale market to follow all the value chain. Trade of milk and meat and of the related byproducts remain a big problem.

07. *Information/awareness-raising of farmers from the central government in coordination with local government authorities.* A continuous information and awareness-raising campaign on the government's initiatives and agricultural cultures and necessary inputs is essential to improve the quality of agricultural products in accordance with international market standards. The Regional Agriculture Directorates play an indispensable role; therefore, it is necessary to clearly determine their vertical hierarchy among central and local government authorities. In the meantime, agriculture experts should be more present in the field and closer to the farmers to assist and guide them during the production process.

ANNEX 1

VAT COMPENSATION SCHEME

1. SCHEME ACTORS

01. The compensation scheme is applied to agricultural producers according to a determined list of agricultural production activities, which are not subject to the regular VAT regime because using the normal VAT regime creates administrative difficulties. The following actors cannot benefit from the scheme:

- a) Farmers supplying (selling) their agricultural products according to this regime, the annual turnover of whom exceeds the minimum limit of 5,000,000 ALL needed for VAT registration, who are obliged to be registered as taxpayers to have VAT tax liability; and
- b) Regardless of being part of the compensation scheme (with a turnover of up to 5,000,000 Lek), farmers voluntarily choose to be subject to regular VAT regime, thus being granted rights and obligations in terms of VAT registration, declaration, calculation and payment, in accordance with the legal provisions.

02. The instruction puts the administrative burden on the “collectors” who serve as “agents” for putting in practice the VAT scheme and paying VAT to farmers and, later on, to carry out the application procedures at the tax authorities for the VAT compensation. More specifically, according to the instruction, every buyer (collector) of farmers’ products, who applies the compensation scheme, shall inform the pertinent regional tax directorate which carries out the compensation scheme for the farmer, before initiating its application and shall attach to the notification the agreement between parties (buyer of the farmers’ products, taxable person, and the farmer), as per the agreement template attached to the instruction. The buyer, a taxable person, should inform the pertinent regional tax directorate of every agreement he enters into a transaction with a new farmer. Failure to duly notify and properly apply in accordance with this procedure shall prevent the buyer from deducting the VAT as a compensation norm written in the invoice issued in the name of

the farmer, the agreement with whom has not been sent (notified) to the tax authorities.

2. THE PROCEDURE OF OBTAINING THE TIN AS PER THE VAT COMPENSATION SCHEME

The registration of the farmer is done at the Regional Tax Directorate. The documentation the farmer needs to submit is as follows:

- a) Registration application as per the pertinent form containing the following data:
 - The farmer’s identification data, address, contact numbers;
 - The address where the agricultural production activity is carried out;
 - The area of agricultural production activity;
- b) The original identification document or notarised copy, attached to the registration application;
- c) The original certificate according to the template provided in the instruction, as issued by the Regional Directorate of Agriculture, Rural Development and Water Administration to prove the agricultural

production activity of the farmer.

Following verifications made by the Regional Tax Directorate to prove that the registration requirements have been met, the Regional Tax Directorate registers the farmer in the tax register. According to the Instruction, the registration certificate should be issued within 2 days from the day of the application submission.

3. FARMER – COLLECTOR TRANSACTIONS

From bank transactions to transactions according to different thresholds.

Allowing sales in cash, up to the value of 30,000 ALL, that a farmer makes for various buyers, agribusiness companies or companies dealing with the processing of agricultural and livestock products, or for the exporters of these products, or any other entity that buys products of farmers who have obtained the TIN. Farmer-buyer transactions from 30,000 ALL to 150,000 ALL are made through any post office. Farmer-buyer transactions for values greater than 150,000 ALL must be done through the bank.

ANNEX 2

Analysis of vegetable subsector actors

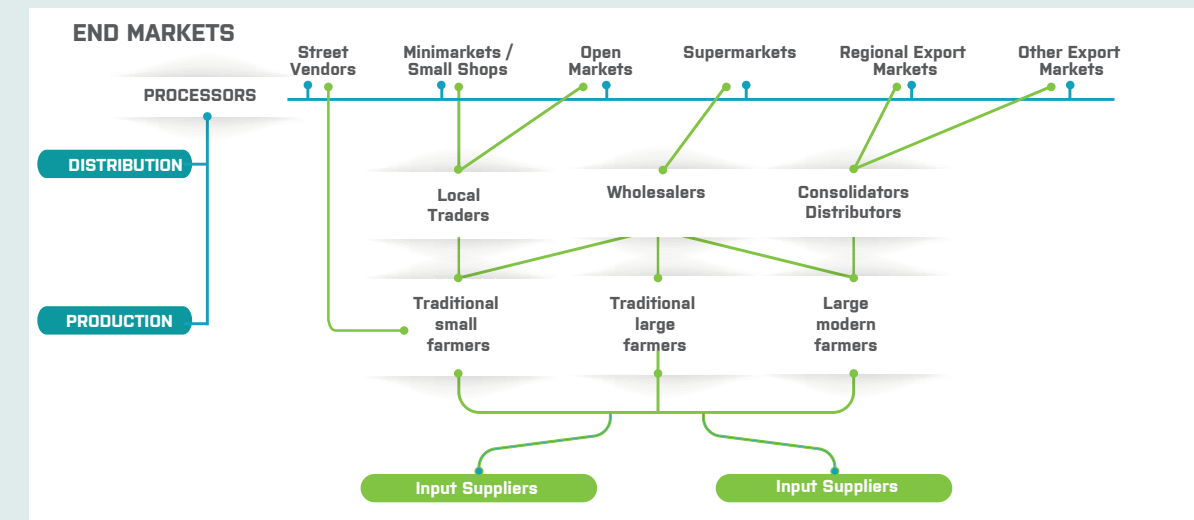
Vegetables constitute one of Albanian agriculture's most productive and essential subsectors, with good growth opportunities for the domestic and export markets. Currently, the data show an increasing trend in this subsector, considering that in the year 2000, the production of vegetables in the field was 620,000 tons, whereas, in 2014, it reached 950,000 tons. Remarkably, the cultivation of vegetables in greenhouses has attracted the attention of farmers as a profitable activity providing safer export markets, leading not only to

an increase of the greenhouses' areas (from 462 ha in 2000 to 1.085 ha in 2014), but also to an increased production in greenhouses by 2.4 times over the same period.

Vegetables are increasingly seen as a good source of income generation for the economy, considering their increasing share in the Albanian exports, as the value of exported vegetables has doubled from 2014 to 2015, respectively from 2,282 million ALL to 4,112 million ALL.

Actors which contribute to this sector and their activities from the viewpoint of formalising agricultural economy.

The diagram of actors in the sector



SMALL TRADITIONAL FARMERS

In terms of number, these farmers are the leading producers in the sector, constituting about 80% of the total number of producers. Their production is based on operations carried out by family members in an area ranging from 0.9 to 1.2 ha. This category produces for family consumption as well as for trade purposes. They generally enter the market either directly on an individual basis, mainly in street markets or through dealers. At the same time, this segment of producers acts as a buyer of agricultural inputs like seeds, young plants, fertilisers, pesticides, herbicides, etc. They constitute the leading group of producing farmers who operate informally when they sell products and buy inputs.

LARGE MODERN FARMERS, MAINLY CULTIVATING IN OPEN FIELDS

This category is part of larger farms ranging from 2 to 25 ha, mainly positioned in the lower areas of the country, mainly in Fier, Lushnje, Berat, Shkodra, etc. They are typically involved

in producing annual plants with a good rate of investment return and mainly cultivate watermelon, cauliflower, carrots, broccoli, tomatoes, cucumber and potatoes. Their primary market is the wholesale market which purchases mainly through auto invoicing. While the supplying with young plants, fertilisers, pesticides, insecticide, etc., is made through input traders, but remain indifferent buying with tax invoices. This category of farmers carries out operations in the farm depending on the size of the farm and processes involved engaging family members and/or mostly part-time employees. They work mainly with their mechanical tools or pay for specialised mechanised services, which in most cases do not come as a formalised service.

LARGE MODERN FARMERS, MAINLY OPERATING IN GREENHOUSES

This group consists mainly of farmers who cultivate vegetables in greenhouses. The number of farmers engaged in the cultivation of vegetables and their respective area of cultivation in greenhouses have significantly increased during the

past five years, with the increasing volume of exports. They are users of intensive cultivation technologies with substantial use of fertilisers, chemicals, labour force, mechanised services, etc., also depending on the cultivated area. This category of farmers sells products primarily to wholesale merchants and consolidators/distributors intended for export, domestic consumption, and processing. They represent the main category of producing farmers in a formalised sector (equipped with TIN), but they are also auto-invoiced by the collectors, and in some cases, are directly included in the VAT scheme. These farmers show interest in obtaining tax invoices when buying inputs or services for their activity.

COLLECTORS/CONSOLIDATORS

Consolidators are businessmen (or buyers from the region or Albania) who collect products directly from farmers with whom they have regular contracts for fresh vegetables, exporting them in the region or European markets, or beyond. This system offers the cultivators a degree of security on the market and guides them in their production planning. They use two sources for collection, either directly from the farm or collection centres in villages. Collection centres are increasingly becoming more important; some of them are supported by state schemes or schemes of the EU/IPARD Like program, thus improving traceability and production standards through grading, selection and proper packaging of products. They serve as the driving force not only in terms of the volume they collect but also in the formalising process of the agricultural economy. Therefore, farmers and merchants see collection centres as an essential factor in the entire value chain. Their relationship with the seller (farmer) is based

on the auto-invoice. However, this category is placed under the pressure of unfair competition by unidentified collectors.

PROCESSORS

Most processing companies use raw materials, raw vegetables and fruit. Although such enterprises are found everywhere, most of them are located mainly in areas where the production is concentrated and where there is tradition and experience, such as in Shkodra, Lezha, Dibra, Berat, Lushnja, Kavaja, Fier, Gjirokastra, Përmet, Tirana, Elbasan, Durrës. Besides large processing enterprises, there is an informal processing segment in the form of small workshops or at home facilities and that provides the basis for the informality of this segment, generating food safety issues and unfair competition. Formalised processors mostly purchase raw materials directly from big Albanian farmers, while the rest is bought from wholesale markets or imported from the countries in the region. All these resources depend on the volume of products and their prices. Usually, processors have contracts with the collectors/consolidators, which in turn have contracts with producers, mainly small ones who produce specific products as requested by the processors. Collectors rarely work with big producers, who are primarily inclined towards products with higher value.

WHOLESALE

Wholesale markets have developed in key production areas such as Lushnja, Vlorë, Shkodra, Berat, Tirana and Korça. These are active year-round markets with large volumes of packaging such as crates of 20-25 kg. Wholesalers usually have one or more vehicles of 7-10 ton capacity

and are the leading carriers of products in the entire country. They get supply by all categories of farmers, and their primary market is the domestic wholesale market. Their relationship is mainly based on the auto invoice reflected in the transport vehicle documentation.

RETAILERS

They are represented by a very fragmented market of hundreds of thousands of small stores mainly supplied by wholesalers operating at the regional level. Besides this supply channel, retail trade markets sell their products, as well. Some of these retail markets are not just small shops or outdoor markets, but also supermarkets, which in some cases have their own chains in some areas of the country such as Conad, Big Market, TEG, Carrefour, etc., representing a more formalised grouping of this segment.

EXPORTERS

Vegetable exports are mainly based on collectors/consolidators; however, such markets are still volatile and unsystematic for various reasons such as the timing and volume of sales, quality of products, uniformity of weight, packaging size, packaging material, its model, traceability, certification, preservation and keeping them fresh. However, export is regarded as a driving force for production, for a better price, fulfilment of the social aspects (employment), and the formalisation of agricultural economies. This segment op-

erates through auto-invoicing with the producer and accompanies the sold merchandise with a tax invoice subject to verification by Albanian customs.

INPUT SUPPLIERS AND SERVICE PROVIDERS

The main part of the basic materials used for the production of vegetables (besides the main asset such as land, greenhouses, mechanisation) includes plastic rolls, seeds and/or young plants, fertilisers, herbicides, pesticides, tools, etc. In many cases, especially in large farms, they have established cooperation relations with dealers or consolidators, who in some cases are young plants producers. Further supply with young plants is "paid" by farmers through the products they give to traders/consolidators/collectors. In the case of other products such as fertilisers, herbicides, pesticides, the farmers receive supplies in agricultural pharmacies.

Currently, under the Ministry of Agriculture, Rural Development and Water Management, the regulation for the activity of these pharmacies has entered into force. Farmers can buy inputs only in licensed agricultural pharmacies and based on prescriptions issued by licensed specialists, but this scheme is rarely applied in reality. The farmer receives a fiscal or tax invoice for the inputs that he/she buys or for the services received, such as the mechanisation of operations in only a few cases.

ABOUT INVESTMENT COUNCIL IN ALBANIA

The Investment Council facilitates the development of mutual trust between the business community and the government in Albania and contributes to an incremental institutionalization of effective policy dialogue. It contributes to the national reform and economic transition process by enhancing institutions, laws and policies that promote market functioning and efficiency.

Dr. Diana Leka (Angoni)

Head of Secretariat
lekad@investment.com.al

Elvis Zerva

Legal & Regulatory Expert
zervae@investment.com.al

Elida Fara

Economic Expert
farae@investment.com.al

Xaira Shurdha

Liaison and Monitoring Expert
shurdhax@investment.com.al

Elisa Lula

Administrative and Communications Officer
lulae@investment.com.al

Published by the Investment Council Secretariat (ICS), Dëshmorët e Kombit, Tiranë, Shqipëri
info@investment.com.al / www.investment.com.al / ICS is responsible for the content of this publication.

 Albania Investment Council  ALInvestCouncil  Albania Investment Council