



Progress of Investment Council Recommendations

2015-2021

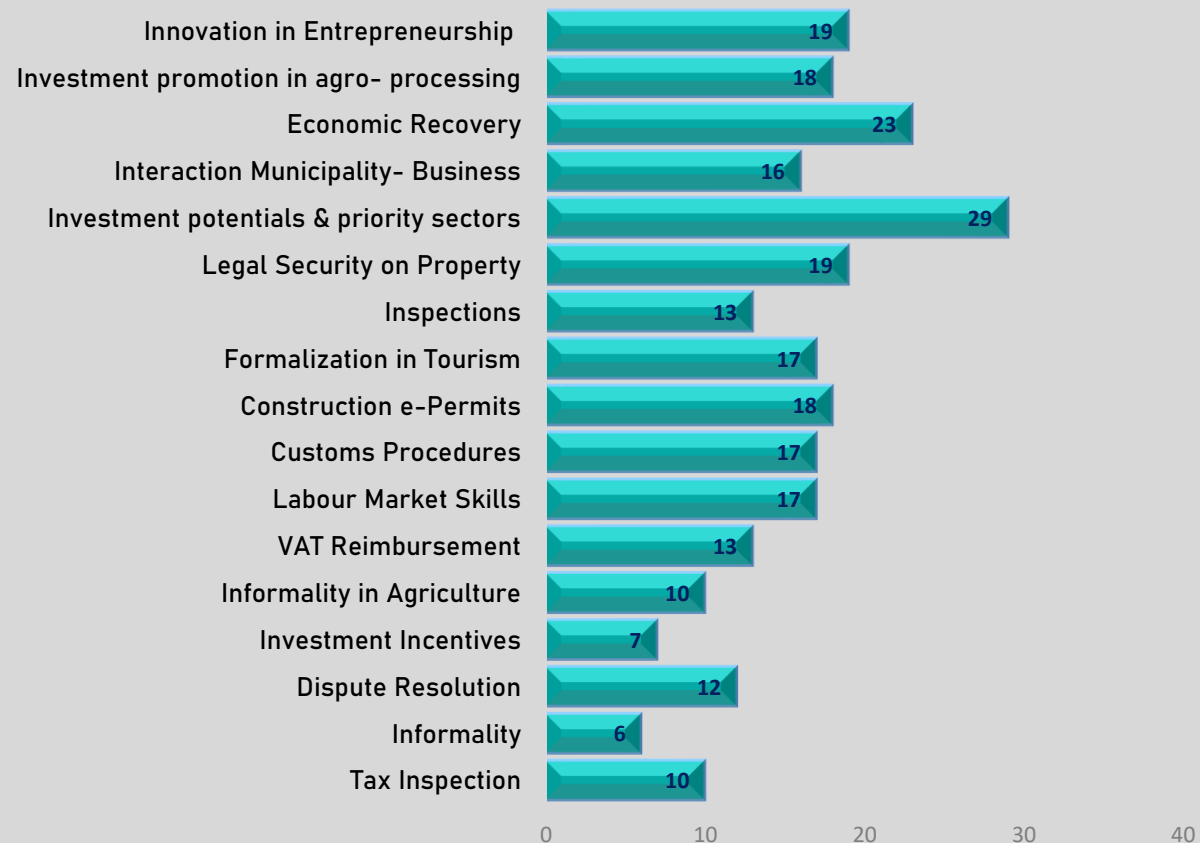
Investment Council (2015 - 2021)

24
MEETINGS

19
RECOMMENDATIONS
January-November
2021

264
RECOMMENDATIONS
April 2015 -
November 2021

Number of recommendations (April 2015 - July 2021)



Investment Council(2015 - 2021)

Recommendations in institutional level have the highest share of the total recs.

40%, with an emphasis mainly on:

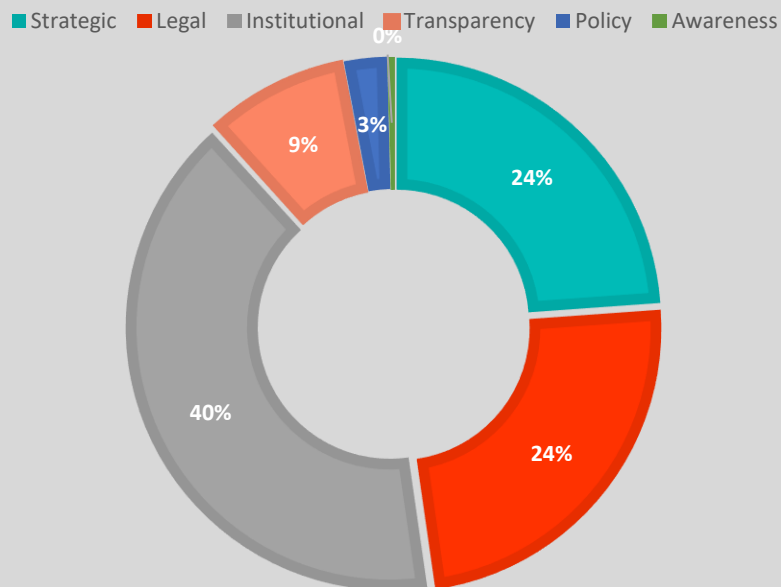
- *Inter- institutional collaboration*
- *Capacity building of the operational structures*
- *Sustainability of the institutions*
- *Improvement of the standards and the quality of services*

22% of the total IC recommendations address interventions in

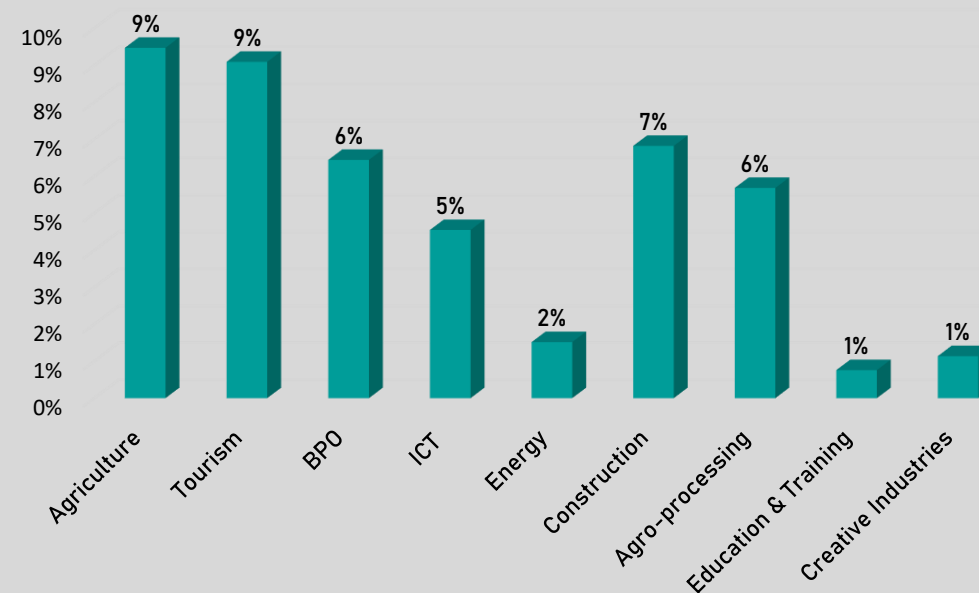
Tourism and Agriculture including Agro-processing sectors, aiming:

- *Increased level of formalization of sectors*
- *Incentives for strengthening the sectors*
- *Legal interventions that would facilitate doing businesses in these sectors*

RECOMMENDATIONS BY CATEGORY

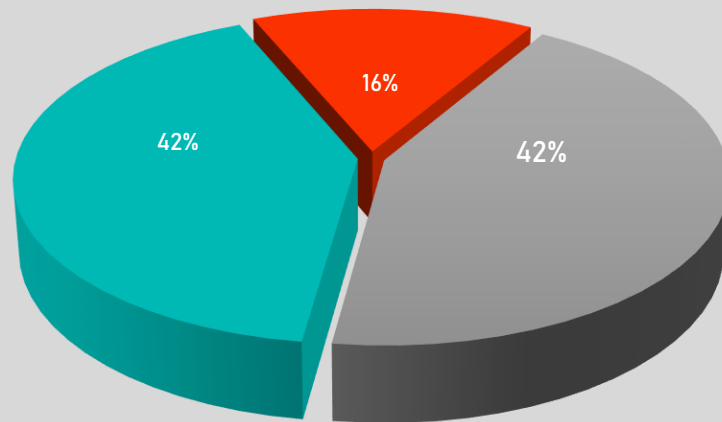


RECOMMENDATIONS BY SECTOR



Positive progress on recommendations (April 2015 - November 2021)

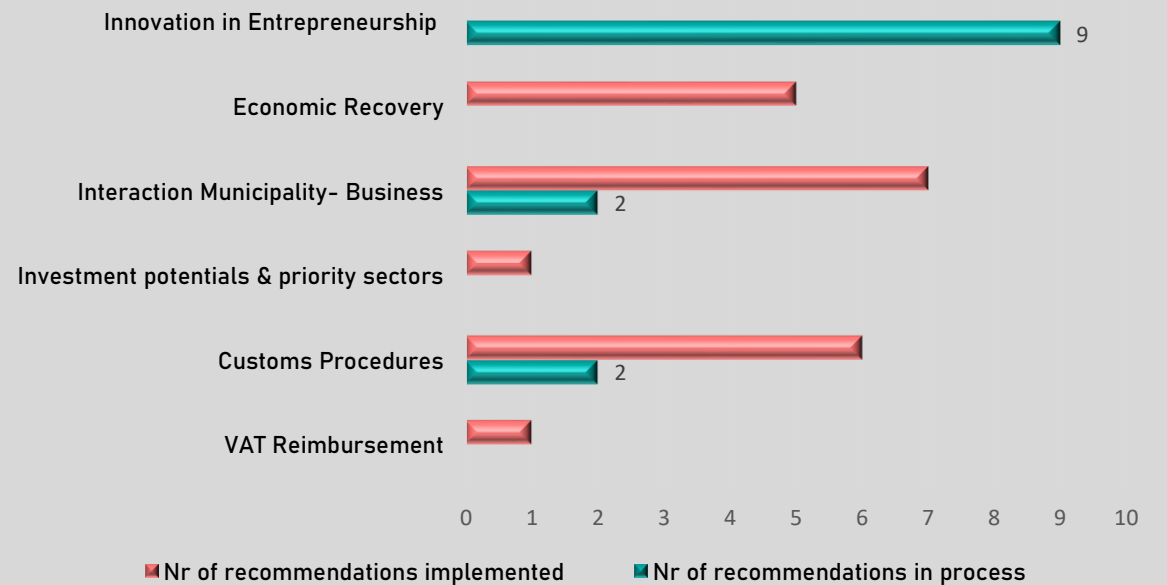
So far, 42% of the recommendations are taken in consideration, among which during January – November 2021 is evidenced positive progress in 33 recommendations - 20 implemented* and 13 in process of implementation.



■ Implemented ■ In proces ■ Not implemented

*Totally (80-100%) or partially (50-70%)

Positive progress evidenced during 2021



Positive progress on recommendations (April 2015 - November 2021)

Access to funds improvements for MSMEs

Oil subsidy for the farmers as an instrument to encourage the formalization of farmers and supporting the investment of farmers – , was approved and started implementation in January 2021, with 20,600 farmers benefiting from the scheme.

Financial Support for Start-Up through:

- Medium term budget plan (MTBP) of AIDA 2022 where 10 million ALL are foreseen in the form of grants for start-ups.

Targeted support for the process of internationalization of enterprises

- AIDA manages, in the role of the main partner, the European Enterprise Network for Albania (EEN-Albania) through which 18 business contracts have been assisted and signed so far between Albanian and foreign companies.

Simplify and better coordinate information on financial supporting projects/programmes for MSMEs

- Set up of a unified platform with centralized information on all funding schemes for MSMEs, provided by donors and the government: aida-smefinance.gov.al.

Positive progress on recommendations (April 2015 - November 2021)

Access to ICT and Electronic Business for MSMEs

Support e-commerce by considering alternative forms of clearing for local transfers in Euro, in order to reduce the high costs charged by the correspondent banking network -

BoA confirms that after the completion of the feasibility study and the procurement of the clearing system for Euro payments, actually they are in the testing phase trying to make the system operational as soon as possible.

Promoting e-commerce, as a potential model for providing services / products in a sustainable way

- Completed the study "Diagnosis of e-commerce in Albania using digitalization" through MFE-World Bank cooperation.
- Drafted a specific action plan for the period 2021-2024 with concrete deadlines
- Established a technical working group "Digital connections / activities" with the participation of WB, MFE and MEI experts.

Accuracy and harmonization of national statistical data referring to the level of use and accessibility in ICT by businesses

- Implemented a study that provided data on the use of ICT by MSMEs in Albania and models from developed countries and the region to be considered for implementation.

Prioritize digitalisation and accelerate broadband national coverage

- Feasibility study supported by WBIF and MEI, detailed the regions based on the concentration of MSMEs and priority areas for broadband coverage.
- A specific budget was approved by the MFE to speed up the broadband coverage process.

Positive progress on recommendations (April 2015 - November 2021)

Enforcing Interaction Business – Municipalities

Implementation of the legal obligation according to article 25 paragraph ç) of the law “On local self-government finances” *for the allocation of 2% of personal income tax revenues for local self-government units.*

Improving the transparency of Municipalities through:

- Regular publication of VKBs on the website and in Decisions.AI
- Publication of PPV / Territorial Development Strategies
- Publications of consultations / links for sending comments from businesses - citizens / publication of consultation dates

Facilitate access to information through a dedicated section on administrative appeal procedures in local self-government units (52 of the Municipalities already have online registers).

Strengthening the capacities of the Municipalities on the efficient preparation of the financial reports periodically:

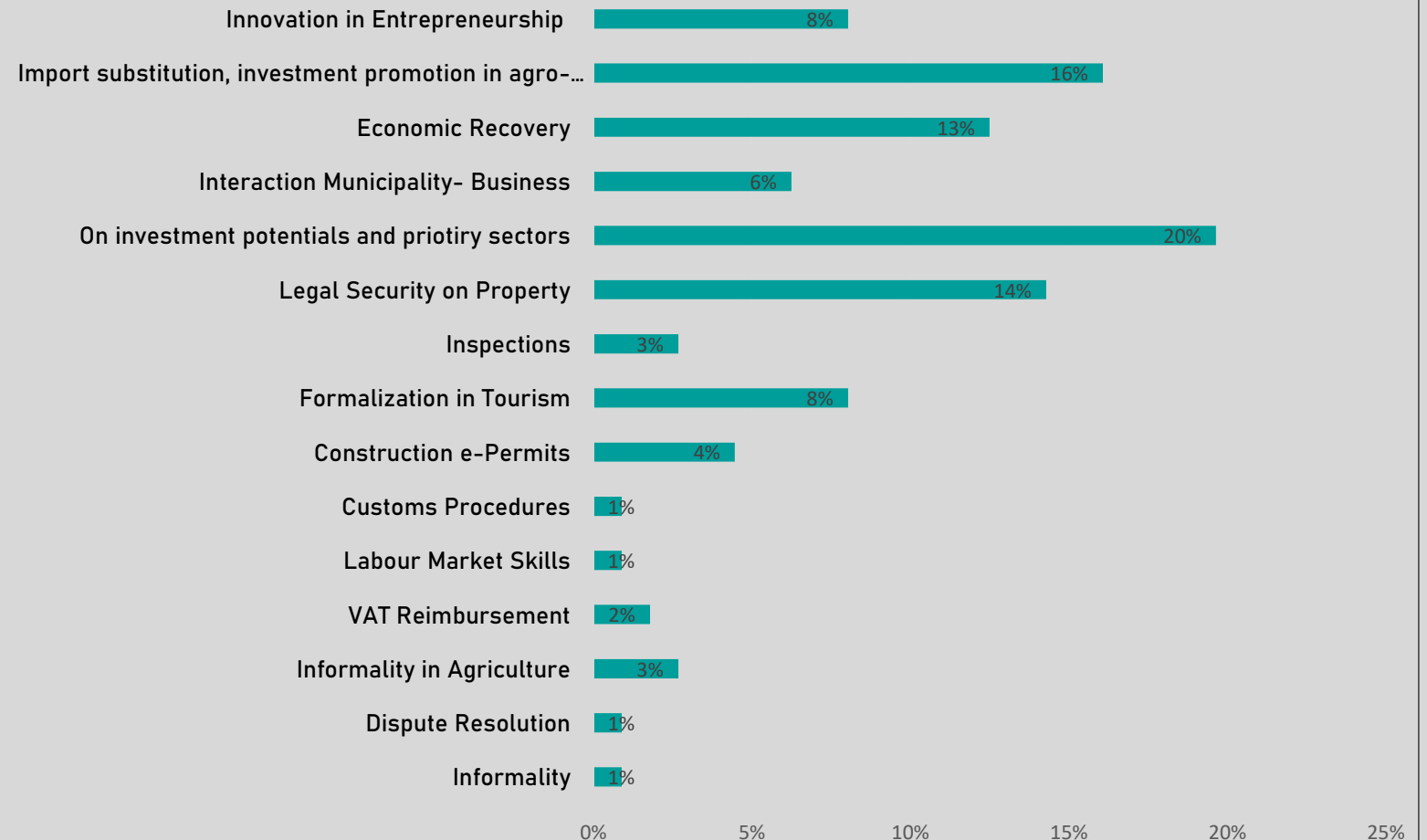
- Assisted 35+ municipalities for the implementation of friendly reporting formats
- 40 municipalities have been trained and provided technical assistance for the use of performance indicators in their financial reporting

Priorities for intervention based on unfulfilled recommendations

*There are currently **112** unfulfilled recommendations, among the most important ones, we can mention:*

- Preparation and adoption of a proper Strategy against the informality*
- Stabilization of the legal and subsidiary fiscal framework*
- Digitization of the registers of some key institutions (ex. ASHK) that would decrease the administrative burden*
- Strengthen cooperation between inspectorates and undertaking of joint inspections*

Recommendations not implemented by Topic %



Thank you