SUMMARY

ON THE DRAFT POLICY DOCUMENT FOR SMALL AND MEDIUM-SIZED ENTERPRISES 2026–2030

June 2026

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On 4 June 2026, the draft *"Policy Document for Small and Medium-Sized Enterprises 2026–2030" (the "Document")*, together with its Rationale and Accompanying Document, was published for public consultation in the Electronic Register for Public Notifications and Consultations[1].

Policies targeting small and medium-sized enterprises (SMEs) in Albania are of particular importance, as SMEs constitute the backbone of the Albanian economy. They account for more than 99% of active enterprises, generate over 80% of employment, and carry the main share of the country's economic activity. In light of this, and considering that the Investment Council (IC) has consistently addressed issues affecting this category of businesses—including discussions and comments provided in 2021 on the draft law *"On the Development of Micro, Small and Medium-Sized Enterprises"*[2] *and the "Business and Investment Development Strategy and Action Plan 2021–2027"*[3]—a dedicated meeting of the IC was prioritized to ensure the broadest possible consultation of the Document.

For the purpose of enhancing the efficiency of the public consultation process and following the electronic invitation for the submission of comments sent to IC members and partners on 8 June 2026, the Secretariat has prepared a concise summary of several key elements of the Document that may serve as the basis for questions, comments, suggestions, or discussion during the IC meeting scheduled for 30 June 2026.

(1) *Integrated Policy Framework:* The Document has been designed as an integrated policy framework aimed at enhancing the productivity, competitiveness, and internationalisation of Albanian SMEs, in line with the EU SME Strategy and the objectives of European integration. The Document is structured according to an intervention logic that links identified challenges with strategic goals, specific objectives, measures, and performance indicators. This approach ensures a direct

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[1] https://www.konsultimipublik.gov.al/Konsultime/Detaje/988
[2] https://www.investment.com.al/wp-content/uploads/2021/07/EN_Suggestions-by-the-Secretariat-on-draft-law-on-MSMEs.pdf
[3] https://www.investment.com.al/wp-content/uploads/2021/07/EN_AIC-Secretariat_Draft-suggestions-on-draft-BIDS-2021-2027-1.pdf

connection between the situational analysis, the proposed interventions, and the expected results to be achieved by 2030.

(2) *Structure of the Document:* The Document is organised into five main sections, progressing from an assessment of the current situation to the definition of strategic objectives, the action plan, and the monitoring and evaluation mechanisms.

Section I - presents the conceptual, strategic, and institutional foundations of the Document. It highlights the role of SMEs in the country's economic development, noting that they account for 99.9% of active enterprises, provide more than 82% of employment, and contribute approximately 78% of gross value added in the economy. The Document identifies as its primary objective the enhancement of productivity, the strengthening of competitiveness, and the expansion of SME integration into European and global value chains.

Section II - provides an analysis of the current state of the SME sector. It highlights the still limited participation of enterprises in exports and international value chains, as well as the concentration of economic activity in a few urban centres, particularly Tirana. The analysis identifies five key structural challenges: (i) the mismatch between workforce skills and labour market needs; (ii) the low level of technology adoption and innovation; (iii) limited access to finance; (iv) regulatory and administrative barriers; and (v) insufficient integration into regional and European value chains.

Section III - is organised around three strategic goals. The first goal seeks to strengthen SME capacities through the development of entrepreneurial skills, the promotion of innovation, digitalisation, standardisation, and the green transition. The second goal focuses on improving the business operating environment by addressing the quality of the regulatory framework, the efficiency of public services, and support for enterprise internationalisation. The third goal aims to develop the capital ecosystem and risk management framework by improving access to finance, enhancing financial literacy, and strengthening business restructuring instruments.

Section IV - constitutes the operational component of the Document, translating the strategic objectives into concrete implementation measures and activities. This section presents the Action Plan Matrix, specifying the planned interventions and the indicators for monitoring progress, with 2025 serving as the baseline year and 2030 as the target year.

Section V - addresses the system for monitoring, reporting, and evaluating the performance of the Document throughout its implementation period. Monitoring mechanisms are organised at three levels: periodic reporting by responsible institutions, preparation of the Annual SME Performance Report, and reporting to government structures and the European Union. The

Document also provides for a mid-term evaluation in 2028 and a final evaluation in 2030, with the objective of measuring progress, identifying challenges, and adjusting interventions as necessary. Monitoring data will also be used for national reporting purposes and for reporting within the European integration process, including Chapter 20, the Reform Agenda, and the Growth Plan.

(3) The Document envisages *three Strategic Goals, eleven Specific Objectives, and twenty-five priority measures.*