

Narrative

The Ministry of Economic Development, Trade, Tourism and Entrepreneurship is in charge of implementing economic development policies anchored around the Business and Investment Development and Investment Strategy that was approved in October 2014. Its focus is entrepreneurship development and particularly drafting and implementation of entrepreneurship and lifelong learning strategy; promotion of a creative economy; women in business and youth and expansion of business support to rural and urban areas.

Continuous improvement of business climate that peaked with the significant progress (up 40 places) in Doing Business rankings (attributed to better dealing with construction permits, registering properties and payment of taxes) is still top of the agenda. SME development, support to competitiveness, foreign direct investment were at the end of 2014 expanded with the tourism that provided the ministry with a particularly important role in support of this increasingly expanding driver of economic growth.

In 2014, Albania obtained candidacy status for EU membership and the government is now expected to submit annually to the European Commission the National Economic Reform Program (NERP). The NERP 2015-2017 is fully in line with the second National Strategy for Development and Integration 2014 – 2020 which is now close to finalization.

Increasing competitiveness of the Albanian economy remains a present challenge in view of weak law enforcement, concerns with the judiciary and corruption, including in the tax, customs and local administration). While, the integration of the Albanian economy into regional and EU networks and markets is limited, the potential of SMEs notably in the tourism industry is yet to be fully utilized. The link between tourism and preservation of natural and cultural heritage and urban requalification are considered to be an important source for economic growth and development. The Ministry through the Albanian Investment Development Agency (AIDA) implements several different 'funds', e.g. a credit line and SME credit guarantee fund, an 'export guarantee fund', a 'creative economy fund', an 'innovation fund', a 'competitiveness fund'.

The performance of these funds highlights the need for continuous program monitoring and evaluation to see the impact of these programs on SME sector competitiveness. A well-designed financial support program needs to be able to quantify and measure impact on the sector competitiveness and must avoid wasteful strategies (ineffectiveness, inefficiency, opportunity costs and deadweight loss).

AIDA, being a dual agency that promotes both FDI and domestic SME sector, has a unique opportunity to get engaged in supporting sourcing of multinational companies in Albania (and in the region) from domestic companies. Building export readiness services are meant for new exporters / successful intenders that need to strengthen their export skills and/or build new export competencies. They should lead to development of a practical export plan that can, in turn, pre-qualify the exporter for subsequent assistance programs (e.g. financial grants).

UN Women will continue support to the Ministry of Economic Development Trade and Entrepreneurship to improve policies and approaches that create a favorable environment for women led businesses. After finalization of the Action Plan on Women Entrepreneurship in Albania, UN Women and MEDTTE will cooperate in 2015 to implement initial actions within NAP related to business coaching and mentoring services for women. Work will continue with information and data capture to support business development, mentoring programmes and business networks at a national and regional level,

primarily targeting women entrepreneurs in SMEs. In parallel UN Women will support MEDTE to identify and finance sustainable interventions in support of women entrepreneurs in rural areas, mainly through community based tourism initiatives. A closer harmonization between women's entrepreneurial needs and VET training curricula will be explored in order to support provision of adequate courses, materials, and internship designs for women entrepreneurs who either want to start or grow a business.

Furthermore, based on different studies and analyses pointing out at the low level of economic literacy of women, awareness materials already produced under the previous programming cycle will be utilized for further outreach. Several concrete activities aiming at improving the economic situation of women in the regions of Dibra, Vlora and Korça are included in the deliverables through increasing self-employment opportunities for particularly poor, marginalized, and vulnerable women, particularly women that are de jure or de facto heads of households. The initiatives identified following a careful analysis of all proposed areas envisage interventions in the following areas:

- Creating and growing women economic activities in rural and semi-rural areas – supporting initiatives to improve productivity and develop higher value products and services, in a sustainable manner, and on the benefit of women groups;
- Delivering innovative training programs – supporting innovative approaches to training topics that will benefit both women activities and communities, with the focus being on enabling women to become or remain economically active, and to increase household incomes;
- Maximising local resources potential – Realising the vast economic potential of the area's environmental and cultural heritage through creating links to and between sectors such as forestry, agro-tourism, and agro processing.

In technical terms, UNDP will support the Ministry of Economy, Trade Tourism and Entrepreneurship with the necessary expertise for establishing a functional system of hotel classification based on international standards. Additional support will focus on increasing the capacities of AIDA in terms of sector profiles considered key for the competitiveness support as well as assisting the institution in reaching out to local businesses for the a transparent disbursement of its funds.

On the other hand, joint UNCTAD-UNDP assistance will address policy dialogue and partnership with the Government of Albania and private sector by providing key technical support to allow Albania progress towards integration in the European structures. Assistance will benefit from UNCTAD and UNDP authoritative knowledge-based institutions which work aims to shape current policy debates on development, with a particular focus on ensuring that domestic policies and international action are mutually supportive in bringing inclusive and sustainable economic growth through enhanced regulatory frameworks.

UNCTAD and UNDP will work at increasing the efficiency of the Albanian trade and investment regulatory framework notably by enhancing the transparency and simplification of administrative procedures with focus on the area of competition and consumer protection. Albania will benefit from UNCTAD position within the UN system, as depository of international competition legislations, Model Law on Competition and UN set of Principles as well as the organization related assistance in the area of simplification of administrative procedures, competition and consumer protection. Capacity building exercises and training courses on increasing public awareness of anti-cartel policy and strengthening the tools for competition advocacy through the review of impact of advocacy and marketing done by Albanian Competition Authority toward enhancing competition culture in Albania. Introduction of detailed rules on commitments decisions through the development of rules on commitments decisions and organization an International Conference addressing the progress of the implementation of the

UNCTAD Peer Review recommendations as well as developing online services for business registration at the national and/or municipal level. In addition, the capacity and understanding of competition principles and case handling abilities through the organization of training courses on competition law and policy will be organized for Judges.

Enhanced enforcement capacity and understanding of competition principles, developed investigation and litigation skills through training courses on competition law and policy for Authority staff and Board members and capacity building exercises and training courses on investigative procedures, case handling and merger review for investigative officers and case handlers.

On the other hand, UNCTAD-UNECE cooperation will support the Government and trade organizations and private sector to support inclusive and sustainable economic growth through enhanced trade facilitation with the development of operational Albanian Customs Administration enhanced with a Single Window approach. Focus will again be on the capacity building and training.

In particular, UNECE and UNCTAD jointly assist the development of a multi-agency Albanian Single Window for export and import clearance (as defined in UNECE trade facilitation recommendations) using UNCTAD's Automated System for Customs Data (ASYCUDA) World .

The project will be achieved through the implementation of capacity-building on organizational issues in the implementation of SW; Provision of policy advice on planning and implementation of SW projects; Provision of technical expertise and advice on data harmonization for electronic certificates/ licenses and development of electronic certificates/ licences; Capacity-building seminar on how to develop and use electronic certificates/ licences and implement them in a SW environment (organized using synergies with UNCTAD and other organisations.

Furthermore, UNECE will work on Removing Regulatory and Procedural Barriers to Trade in Albania by developing action-oriented recommendations for: (i) removing behind and at-the-border regulatory and procedural barriers to trade in manufactured goods; and, (ii) deepening Albania's integration into regional and global value chains. The recommendations will be developed on the basis of rigorous analysis of regulatory and procedural measures governing trade in Albania using the UNECE evaluation methodology. The recommendations will be presented to the Government of Albania and shared with UNECE member States at the Committee on Trade annual session as well as during international conferences on regional integration and the Aid for Trade global review.

Annual Work Plan (2015)

Output 4.3

National and sub-national government units have the capacity to generate and strengthen investments, employment and livelihood opportunities, especially for youth and women.

(Including institutions for job creating investments, enabling job creating trade, local investment climate/competitiveness local private sector development, joint ventures etc. financing frameworks for employment creating investments, e.g. organized industrial parks etc.; area based development work; incubation; entrepreneurship; link to employment policy dimension covered in the Social Inclusion Outcome)

Indicator	Baseline	Target 2016	Annual Target 2015
Net number of new enterprises created / proportion owned by women.	8650 (2013)	10000 Gov. target w %5 increase	9300

Code deliverable	Description deliverable	To be completed in Quarter	Responsible Party	UN Agency	Available budget in USD	Source of Funds	Budget description
4.3 a	Mapping of potential women initiatives of community based tourism and TA to MoUDT for the development and targeting of women community based tourism models (continued from 2014)	Q1	MOUDT & MEDTE	UN Women	7,684 14,800	UN Women Core Funds	National Consultant Project Implementation Costs
4.3 b	Technical Assistance to MEDTE to initiate the implementation of NAP for Women Entrepreneurship 2014-2020 including support to develop IPA Fishes and depth implementation of some NAP start up actions	Q2-Q4	MOUDT & MEDTE	UN Women	25,000 10,480 14,760 13,017.48 14,920	SIDA COH Funds	Institutional Contract Printing and Publications National Consultant Travel Project Implementation Costs

4.3 c	Study on Women's representation at board and senior management levels of bussiness companies in Albania	Q4	MEDTE; Chambers of Commerce	UN Women	15,000 5,000 12,630	SIDA COH Funds	Institutional Contract Printing and Publications Project Implementation Costs
4.3 d	- Setting up of a Documentation-Resource Centre based in the Competition Authority for use of Staff - Organization of trainings for Staff of the Competition Authority on: Litigation, Written submissions, Investigation techniques, Research Methodology - Organization of trainings for Judges handling competition cases	Q2 – Q4	Albania Competition Authority	UNCTAD	10,500 54,250	UNCTAD Non-core DRT-Fund	Research/need assessment contract/ Training/workshop/ expertise
4.3 e	Capacity building of customs authorities on Single Window (licence electronic evaluation, monitoring and statistical reporting)	Q2 – Q4	MEDTTE, Albanian Customs	UNCTAD	72,800 94,250	UNCTAD Non-core DRT-Fund	Training/workshop/ expertise
4.3 f	Capacity-building on organizational issues in the implementation of SW and on the use electronic certificates/ licences	Q2 – Q4	MEDTTE, Customs	UNECE	20,000	DRT-Fund	Training, workshops/expertise
4.3 g	Provision of technical expertise and advice on data harmonizatioj for electronic certificates/ lincenses and development of electronic certificates/ licences;	Q2 – Q4	MEDTTE, Customs	UNECE	20,000	DRT-Fund	Technical expertise/travel

4.3 h	A technical paper on the national system of standardization, quality assurance and metrology	Q2 – Q4	MEDTTE	UNECE	10,000	DRT-Fund	Consultants
4.3 i	A technical paper on trade facilitation conditions in Albania	Q2 – Q4	MEDTTE	UNECE	10,000	UNECE Non-core	International consultants, national consultants
4.3 j	A technical paper on deepening Albania’s integration into the regional and global value chains	Q2 – Q4	MEDTTE	UNECE	10,000	UNECE Non-core	International consultants, national consultants
4.3 k	A database of regulatory and procedural barriers to trade in Albania by sector	Q2 – Q4	MEDTTE	UNECE	10,000	UNECE Non-core	International consultants, national consultants
4.3 l	A study on regulatory and procedural barriers to trade in Albania, which integrates the main findings of the above-mentioned technical papers and proposes concrete recommendations and a strategic framework for guiding implementation and a validation workshop	Q2 – Q4	MEDTTE	UNECE	10,000	UNECE Non-core	Consultants, workshop
4.3 m	A roundtable on removing regulatory and procedural barriers to trade in Albania, in Geneva, Switzerland as part of the annual session of the Sectoral Committee responsible for this area.	Q2 – Q4	MEDTTE	UNECE	10,000	UNECE Non-core	Travel/workshop/expertise
	Technical assistance to the MEDDTEE – Department of Tourism Policies and inspectorate of tourism	Q2 – Q4	MEDTTE	UNDP	20,000	DRT-Fund	National consultants

4.3 n	Setting up a system of hotel classification in Albania based on international standards	Q3 – Q4	MEDTTE	UNDP	20,000 10,000	UN COH DRT-Fund	International consultants/national consultants
4.3 o	Study tour of MEDTTE, AIDA and NCRD to the Czech Republic	Q 2	MEDTTE, AIDA	UNDP	5,000	UN COH	Travel costs
4.3 p	Support to Albania’s competitiveness agenda – sector with 2 profiles analysis	Q3 – Q4	MEDTTE, AIDA	UNDP	20,000	DRT-Fund	National consultants, workshops
4.3 q	A study on business development services and local level support to entrepreneurship	Q3 – Q4	MEDTTE, AIDA	UNDP	25,000	DRT-Fund	National consultants. workshops
4.3 r	Innovation and entrepreneurs start up camps in agriculture, ICT and tourism	Q2-Q4	MEDTTE	UNDP	60,000	UNDP Core	International consultants, national consultants, training, workshop, logistic costs
4.3 s	Interactive tourism portals completed in two municipalities (Pogradec & Saranda)	Q1 – Q4	Local municipalities	UNDP	70,000	UNDP Core	National consultants, IT support
4.3 t	Upgrading capacities for expanding tourism services based on a diversified and self-sufficient agricultural production – region of Saranda	Q2	MoUDT, MEDTTE	UNDP	37,239	SDC	International consultants, National consultants
4.3 u	Creative artifacts cooperative of Erseka women established and marketing of products (marrying tradition with modern trends) facilitated, utilizing the diaspora originating from the area	Q3	Municipality of Erseka, women heads of household NGO	UNDP	29,000	CoH Funds	MOU for non credit related activities, ADAD Malore non for profit organisation contract, marketing materials, travel

4.3 v	Vithkuq women (Korça region), supported for initiation of social business and for access to markets for processed forest fruits and medicinal herbs, and hospitality services	Q4	Local government unit, NGO, women organizations	UNDP	25,000	UN COH	MOU for non credit related activities, ADAD Malore non for profit organisation contract, marketing materials, travel
4.3 w	Wool processing mini-factory for women of Hor-Vranisht valley (Vlora Region) supported	Q3	Local government unit, women heads of household, NGO	UNDP	28,000	UN COH	MOU for non credit related activities, AULEDA non for profit organisation contract, marketing materials, travel.
4.3 x	Vulnerable women social business established at local level (Vlora region)	Q4	Local government unit, NGO, women organizations	UNDP	27,000	UN COH	MOU for non credit related activities, non for profit organisationcontract, marketing materials, travel
4.3 y	Women's economic literacy programme conducted in 6 regions, particularly with economic aid beneficiaries	Q3-Q4	MoSWY	UNDP	25,000	UN COH	Service contracts, travel, logistics
4.3 z	Women economic groups have developed capacities to conduct baseline, set mesaruble indicators and measure change through evidence during project cycles in selected regions	Q3-Q4	UNDP	UNDP	25,000	UN COH	Consultancies, travel, logistics

Annex 1 Total budget per Agency

Budget totals per UN agency		
UN Agency	Agreed budget for 2015	Best estimates for 2016
	Available budget	Available budget
UN Women	133,291.48	
UNCTAD	231,800	
UNECE	100,000	
UNDP	426,239	
TOTAL	891,330.48 USD	

Annex 2 Monitoring tool

Technical Missions	Short description	Date	Contact Person	Email
Field visits incl. visits to Responsible Parties	Short description	Date	Contact Person	Email
Evaluations	Short description	Date	Contact Person	Email
Output Working Group Meetings	Short description	Date	Contact Person	Email
Audits	Short description	Date	Contact Person	Email

Annex 3 Unfunded Deliverables (2015)

Output 4.3

National and sub-national government units have the capacity to generate and strengthen investments, employment and livelihood opportunities, especially for youth and women.

Indicator		Baseline	Target 2016	Annual Target 2015				
Net number of new enterprises created / proportion owned by women.		8650 (2013)	10,000	9300				
Code deliverable	Description deliverable	To be completed in Quarter	Responsible Party	UN Agency	Available budget in USD	Unfunded	Source of Funds (if identified already)	Budget description
4.3 z/a	Promotion of entrepreneurial learning and women's entrepreneurship (engendering the strategy and action plan)	Q2-Q4	MEDTTE	UN Women		15,000	Non core	National Consultants, publication costs
4.3 z/b	Women's enterpreneurial VET training curricula, courses, materials, teaching methodology, and internship design	Q2-Q4	MEDTTE, MSWY	UN Women		30,000	Non core	National Consultants, publication costs
4.3 z/c	Development and implementation of tailor-made entrepreneurship programmes specifically targeting girls and women in rural areas.	Q2-Q4	MEDTTE, MSWY	UN Women		50,000	Non core	National consultants, publication costs

4.3 z/d	Development of special programmes for supporting clusters of women-run business and start-ups in rural areas	Q2-Q4	MEDTTE, Local authorities	UN Women	30,000	Non core	National consultants
4.3 z/e	Capacity building exercises and training courses on: <ul style="list-style-type: none"> • removing the notification regime regarding the agreements between undertakings • increasing public awareness of anti-cartel policy • enhancing leniency policy in cartel cases • strengthening the tools for competition advocacy through the review of impact of advocacy and marketing done by ACA toward enhancing competition culture in Albania • Introduction of detailed rules on commitments decisions through the development of rules on commitments decisions and organization an International Conference addressing, inter alia, the progress of the implementation of the UNCTAD Peer Review recommendations 	Q2-Q4	MEDTTE	UNCTAD	225,000	Non core	International expertise, training costs, National consultants, travel expenses, workshops and conferences, publication costs
4.3 z/f	Developing online services for business registration at the national and/or municipal level; Trainings for Customs, Traders , Min. of Agriculture and Food (Border Veterinary	Q2-Q4	MEDTTE	UNCTAD	225,000	Non core	International expertise, training costs, National consultants, travel expenses, workshops and

	<p>Inspection Points and Veterinary Department); Capacity building exercises and Trainings for the development of:</p> <ul style="list-style-type: none"> - IPR component in line with EU COPIS technical/ functional requirements, - Interface with AW and Risk Management - Training for Customs, Traders and Albanian Copyright Office (National IP) (UNCTAD), - Interface/message exchange with WIPO - Interface/message exchange with WCO 							conferences, publication costs
4.3 z/g	<p>Follow-up of creative artifacts cooperative of Erseka women established and marketing of products (marrying tradition with modern trends) facilitated, utilizing the diaspora originating from the area</p>	Q3	<p>Municipality of Erseka, women heads of household NGO</p>	UNDP		24,000	Non core	<p>MOU for non credit related activities, ADAD Malore non for profit organisation contract, marketing materials, travel</p>
4.3 z/h	<p>Follow-up Vithkuq women (Korça region), supported for initiation of social business and for access to markets for processed forest fruits and medicinal herbs, and hospitality services</p>	Q4	<p>Local government unit, women heads of household NGO</p>	UNDP		25,000	Non core	<p>MOU for non credit related activities, ADAD Malore non for profit organisation contract, marketing materials, travel</p>
4.3 z/i	<p>Established Wool processing mini-factory for women of Hor-Vranisht valley (Vlora Region)</p>	Q3	<p>Local government unit, women heads of household, NGO</p>	UNDP		22,000	Non core	<p>MOU for non credit related activities, AULEDA non for profit organisation contract, marketing materials, travel</p>

4.3 z/j	Follow-up vulnerable women social business established at local level (Vlora region)	Q4	Local government unit, NGO, women organizations	UNDP	22,000	Non core	MOU for non credit related activities, non for profit organisation contract, marketing materials, travel
4.3 z/k	Women's economic literacy programme conducted in 6 regions, particularly with economic aid beneficiaries	Q3-Q4	Local government unit, NGO	UNDP	18,000	Non core	Service contracts, travel, logistics
4.3 z/l	Assessment of the situation of promotion and protection of women's rights at the workplace	Q4	Local government unit, Bussinesses NGO	UNDP	18,000	Non core	Institutional contract, Service contracts
4.3 z/m	Technical assistance to the Ministry of Economic Development, Trade, Tourism and Entrepreneurship in setting up an Economic Governance Reforms Fund based on international experiences (Georgia)	Q2-Q4	MEDTTE	UNDP	50,000	Non core	International expertise, travel costs, training, workshops
4.3 z/n	Kukes – Dragash Cross Border economic exchange preparatory assistance	Q4	MEDTTE, Municipalities	UNDP	50,000	Non core	Technical expertise, project preparation and consultations

Annex 4 Total Funding Gap per UN Agency (2015)

UN Agency	Funding Gap for 2015
UNCTAD	450,000 USD
UN Women	125,000 USD
UNDP	229,000 USD
Total	804,000 USD