INTRODUCTION

The Professional and Business Women Handcrafter Association (PBWHA) was assisted by ILO DWT/CO Budapest to assess the existing environment for women’s entrepreneurship in Albania in order to analyse the current context, identify gaps and promote a more favourable environment for the growth of women’s enterprises.

PBWHA applied AfDB/ILO Integrated Framework Assessment tool to assess the environment for Albanian women’s entrepreneurship. In general, the Integrated Framework is based on the proposition that if women are equipped with the necessary resources, skills and opportunities to start stronger businesses, and if they are more readily able to pursue the growth potential of these enterprises due to a more favourable environment in which they operate, the economy will benefit from increased employment and economic growth.

ACKNOWLEDGEMENT

PBWHA applied AfDB/ILO Integrated Framework Assessment tool to assess the environment for Albanian women’s entrepreneurship. Special thanks goes to Mr. Dragan Radic, the Senior Specialist for Employers’ Activities, Decent Work Technical Support Team and Country Office for Central and Eastern Europe for the technical assistance and guidance in research. Work on this project was made possible with support of the Government of the Kingdom of Sweden.
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<th>Abbreviation</th>
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<tr>
<td>AIDA</td>
<td>Albanian Investment Development Agency</td>
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<td>BoA</td>
<td>Bank of Albania</td>
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<td>BAC</td>
<td>Business Advisory Council</td>
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<td>CoM</td>
<td>Council of Ministers</td>
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<td>DPEOF</td>
<td>Directory of policies for equal opportunities and family</td>
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<td>EBRD</td>
<td>European Bank for Reconstruction and Development</td>
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<td>ECB</td>
<td>European Central Bank</td>
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<td>EU</td>
<td>European Union</td>
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<td>FDI</td>
<td>Foreign Direct Investments</td>
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<td>GDP</td>
<td>Gross Domestic Products</td>
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<td>GFP</td>
<td>Gender Focal Points</td>
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<td>GoA</td>
<td>Government of Albania</td>
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<td>ILO</td>
<td>International Labour Organisation</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>INSTAT</td>
<td>Albanian Institute of Statistics</td>
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<td>METE</td>
<td>Ministry of Economy, Trade and Energy</td>
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<td>MoF</td>
<td>Ministry of Finance</td>
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<td>MLSAE0</td>
<td>Ministry of Labour, Social Affairs and Equal Opportunities</td>
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<td>NES</td>
<td>National Employment Service</td>
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<td>IL</td>
<td>Inspectorate of Labour</td>
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<td>OECD</td>
<td>Organization for Economic Cooperation and Development</td>
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<td>SBA</td>
<td>Small Business Act</td>
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<td>SME</td>
<td>Small and Medium Enterprises</td>
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<td>PBWHA</td>
<td>Professional Business Woman and Handcrafts Association</td>
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<td>UNW</td>
<td>United Nations for Women</td>
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<td>UN CRC</td>
<td>United Nations Committee on Rights for Children</td>
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<td>WED</td>
<td>Women Entrepreneurship Development</td>
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<td>WB</td>
<td>World Bank</td>
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The study reviews the main features of the business environment for women’s entrepreneurship and small and medium enterprise (SME) development in Albania. Special consideration is given to the policies considered for women’s enterprise development in Albania.

The research was supported by the International Labour Organization (ILO) and it aligns with ILO principles to promote women’s entrepreneurship and to support women entrepreneurs to create decent employment, achieve women’s empowerment and gender equality.

In general, the Integrated Framework is based on the proposition that if women are provided with the necessary resources, skills and opportunities to start stronger businesses, and if they are more ready to pursue the growth potential of these enterprises due to a more favourable environment, the economy will benefit from increase employment and economic growth.

The research work will not only help to promote an enabling environment for women’s entrepreneurship, it will also strengthen PBWHA role as strong “policy actor” capable of providing policy makers with evidence-based arguments that can contribute to the policy making process.

The assessment focused on ten broad elements of the enabling environment for women’s enterprise development. The following are the key finding and recommendations:

1. **Policy leadership and coordination for women’s enterprise development**

   Beyond the treatment of gender equality from a human rights and equal opportunity perspective, the National Strategy for Development and Integration (NSDI 2007-2013) and the National Strategy on gender equality and reduction of gender based violence regard the economic empowerment of women as a crucial condition to achieve sustain economic growth, socially inclusive society, provide equal opportunities and combat poverty.

   Albania does not have a specific policy framework for women’s enterprise development. There is a general reliance on the broader policy framework for women’s entrepreneurship in general, as: Strategy for the Small and Medium Enterprise, National Strategy on Gender Equality, Reduction of Gender Based Violence and of Domestic Violence and its Action Plan, along with other policy and programme instruments as detailed in the NSDI.

   In line with updated policies it is recommended as follows:

   - The Government of Albania should integrate in the new NSDI 2014-2020 an action plan specifically to promote women’s enterprise development within the strategy for Business and Investment Promotion. The AP has to involve the PBWHA through METE.
   - The Government of Albania should ensure special funds tailored to enterprise development for women entrepreneurs.
   - MLSAEO METE and AIDA should formalize the involvement of PBWHA on woman policy development as the most organized women entrepreneurs group.

2. **The legal and regulatory framework for women’s enterprise development**

   The law on entrepreneurs and commercial companies that regulates the status of entrepreneurs, the establishment and administration of commercial companies, the rights and obligations of founders, owners and shareholders, and the reorganization and liquidation of commercial
companies, naturally makes no distinction on the basis of gender.

Generally the regulatory environment in Albania has improved by adapting and aligning laws with EU directives. This also provided for a more enabling general business climate. However, the improved legislation pays no specific attention to women in business. Therefore we recommend that:

- METE and MoF develop gender sensitive fiscal policies and legislation to ensure that women entrepreneurs have improved access to micro and small national guarantee funds. We recommend:
  - Special taxation policy to be putted in place for women entrepreneurs start-ups allowing a grace taxation period from one to two years

3. The promotion of women’s entrepreneurship

METE facilitates economic growth and has established the Albanian Investment Development Agency (AIDA) in order to increase the national economy’s competitiveness, by making it more attractive for foreign investors and simultaneously, by supporting the development of SMEs and Albanian exports. However, its mechanisms do not recognize a need to develop programmes promoting entrepreneurship that specifically target women. It is recommended that:

  - METE should actively support the network of women entrepreneurs considering women as a specific target group in the NSDI 2014-2020.
  - MLSAE0 and NES develop activities aimed at promoting entrepreneurship among women, while keeping in mind that women are not a homogenous group and that the needs of specific groups should be addressed, such as women with disabilities, young women etc.
  - METE, in partnership with PBWHA, should promote networking platforms for women in business through annual events and competitions such as “Women Ambassador”, the “Handcraft Woman of the year” and others.

- NES with AIDA should collaborate with women’s enterprise associations to promote an entrepreneurship culture among young women.

4. Women’s access to enterprise education and training

One of the goals of the Strategy for Employment and VET is the institutionalization of the labour market, through the coordination of efforts among different institutions, and the improvement in managing the labour market service agencies and mainly the National Employment Service (NES). In general, VET in Albania is not yet widely attractive, and training is often not keeping up with the developments in the labour market. Entrepreneurship education and training are key means of increasing awareness and fostering an entrepreneurial culture. As assessed by OECD, there is a broad consensus that there is a need to improve the vocational training courses and to encourage TVET institutions to promote women in non-traditional sectors, in particular those with growth potential so women may have more opportunities to start in growth sectors. Better labour market information is urgently required to facilitate curriculum planning and keeping staff qualifications up to date. It is recommended as follows:

- NES and NAVETA to develop gender sensitive entrepreneurship education and training curricula in collaboration with BDS providers, universities, research institutions, and social partners, especially those representing female-owned enterprises.
- METE to develop a training profile of women crafts and raise awareness and promote the sector.

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5. Women’s access to financial services

Women face constraints, especially when trying to mobilise working capital for expanding or diversifying their business. Regarding the access to credit and other financial resources women entrepreneurs have equal rights in respect of their lending by financial institutions. The banks perform the credit risks and distribution referring to the juridical size of the companies and not distinction on gender balance. Actually the microfinance system is much diffused in the Albanian SME economy.

It’s recommended:
● BoA and MoF should encourage financial institutions to develop dedicated services and set targets for women entrepreneurs in growth-oriented firms.
● METE to support AIDA to develop customized programmes to support the growth of female-owned enterprises, which will incorporate linkages with public funds.
● METE and AIDA to promote collaboration between microfinance institutions and commercial banks to develop referral system for businesswomen.

6. Women’s access to business development services

Business development services are an important component of support to businesses. Most of the BDS providers are government-owned or represent joint efforts with private consultative companies and mostly are located in urban areas. The BDS providers and other support services continue to attract and creating access for information and establishment of enterprises and general information. These services are, for the most part, gender blind. We recommend:
● MLSAEO with NES and social partners to plan a working agenda for BDS providers on how to mainstream gender issues in their services.
● METE to promote annual exhibitions of crafts’ products provided by women entrepreneurs, supported by the PBWHA.
● METE, in collaboration with media to promote innovative ideas from women entrepreneurs, as PROMALBANIA and Mentors women.

7. Women’s participation in business associations and networks

In Albania, the creation of business women associations has been identified as a need to promote women’s enterprises and to provide business support from the group itself. However, there are no women employers’ association, they are integrated in the Chambers of Commerce, and after the creation of few employers group, has join the membership and networks. The association PBWHA is one of the founders of BiznesAlbania, which is the largest business group in Albania and from February 2013 is a member of BusinessEurope. It’s recommend:
● MLSAEO, in line with gender equality programs, to carry out the existing network of PBWHA on expanding it and joint actions to sustain the actual structure of it.
● METE, in collaboration with PBWHA, to develop mentorship programs using businesswomen as EU and regional role models.
● ILO to support the establishment of Women into Business Management Award.
● Increase the capacity of business association particularly in advocacy area so they can better represent the interest of women entrepreneurs and advocate more successfully for enabling environment for women entrepreneurship.

8. Women’s access to business premises

There are a number of barriers regarding the access of businesswomen to appropriate business premises. There are no special programs for direct support to SMEs led by women. In addition there is not allocation of dedicated resources for mainstreaming (expertise, funds, lobbying and advocacy, dissemination, etc). It is recommended:
● METE, in collaboration with municipalities, should improve the existing market facilities and to start the creation of cooperative, nucleus and cluster model.

● Ministry of Agriculture in cooperation with METE to initiate studies on access to business premises for rural women entrepreneurs

9. Women’s access to local, national and international markets

There is no state support for a qualitative and effective participation of women entrepreneurs in local, national and international markets, a part the participation on exhibitions on these levels. METE in partnership with PBWHA has created various promotional opportunities for businesswomen on taking part in: b2b forum, national and local fairs. It is recommended:

● METE &AIDA, to share specific plans for access to markets for businesswomen providing production standards for their exports.

● METE to conduct studies to ensure that production and market development interventions are according to the potential or available resource in the area. These studies will enable an overhaul of existing industries as food processing, handicraft, art design, tourism and recreation.

The state of research on women’s enterprises

Limited sex disaggregated data and a lack of coordination in research emerged as major gaps identified about women’s entrepreneurship in Albania. In conclusion to remove barriers to the development of women’s entrepreneurship and small and medium enterprises in general it’s recommended:

● National statistics INSTAT to conduct a research on economy activities by gender and sectors.

● METE to engage national data on providing to local women entrepreneurs’ the compatibility with their local opportunities and needs.

● Universities and women entrepreneurs’ networks to collaborate in collecting gender-related studies in order to develop case studies good practices of women in business.
**INTRODUCTION**

Albania has entered a new phase of economic reforms for a better future and the prosperity of the country. The country’s development is linked to the strengthening and enhancement of the private sector, which is one of the strongest pillars for ensuring the successful integration of Albania into the European Union. The private sector in Albania is operating under the conditions of a fully open-oriented economy. The Government is guided by the motto “Albania is the most attractive country for new investments”.

The development of private sector, especially of SME, seems to remain one of the Government priorities meanwhile, the women entrepreneurs are clearly recognized as playing an important role in the SME sector. Actually there are around 106 thousands private businesses operating in Albania, which contribute to up to 80% of GDP and endorse the employment of 82% of labour force.2

According to INSTAT, at present women own 25.7% out of 106 477 business in the country.18% of private business managers are women. Furthermore, despite the fact that more than 50% of women in rural areas work in agriculture, they only own and manage 6% of farms. There are several reasons why the percentage of women who run a private business is so low. There are constraints in the tax system and there is a high level of informality of women entrepreneurs. Women have larger problems than men to access finance to create new businesses and expand and scale up existing ones. Furthermore, the gender-related division of labor leaves women with less time to devote to business; fewer opportunities of having information; partial contacts and experience; scantier capital resources; limited mobility and fewer capabilities. On top of that, there is an overall lack of data and research on the matter. This lack in knowledge causes also the absence of supporting policies and programs on the side of the Government of Albania to promote and encourage women’s entrepreneurship. The SME Index report claims that Albania needs to improve support for women’s entrepreneurship providing dedicated programmes of support, training and access to finance.

Women economic empowerment both through increased access to labour markets as well as enhanced opportunities for women entrepreneurship is a policy area that is gradually gaining attention in government policy as a tool to guarantee consolidation of women’s rights. The centrality of women’s economic empowerment is stressed in several documents and strategies elaborated by the Government of Albania, as the National Strategy for Gender Equality and Reduction of Gender Based Violence and Domestic Violence (2011-2015) and The National Strategy for Development and Integration (NSDI) 2007-2013. Both strategies clearly underline the need for full participation in the economy of the country. The Government of Albania, cognizant that women’s economic empowerment constitutes a necessary condition to promote gender equality, is committed to support women entrepreneurship through specific programs and policies. The Ministry of Economy Trade and Energy (METE) is committed to comprehend involved challenges and elaborate policies and practices that could be developed to promote women entrepreneurs.

According to World Economic Forum 2012 related to economic participation and opportunities, Albania have the labour force participation on level 56/76 female/male.3At the global index for women’s economic opportunity 2012 Albania is ranked at 54 places with 56.5 of score and at lower level income.

Creating an enabling environment includes actions at all levels - regional, country, and municipality - by governments, the private sector, civil society, various networks and the family.

In order to assess the existing environment for women’s entrepreneurship, the Albanian Professional Business Women and Handicrafts Association (PBWHA) conducted a review of relevant documentation and information of the environment in which women entrepreneurs are operating.

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2 METE: www.mete.gov.al

3 Country profile Albania 2012 World Economic Forum
Context-specific tailoring of programmes and policies is the only way to ensure that the focus areas of women and decision-making, gender equality in the workplace, gender equitable access to resources, women's entrepreneurship, are each addressed appropriately and effectively.

The report starts by assessing the general country context affecting the development of SMEs, and covers the political situation, macroeconomic environment, employment and labour market, key demographic problems. Assessment work includes the country’s economic situation, statistical information regarding WED and relevant reports and research documents from national and international organisations that have been published.

In addition, the report presents the national definition of the SME sector in Albania. It describes the key legislative and regulatory provisions and assesses their impact on the SMEs. Further on, the report exposes general and specific indicators showing the role of women in Albanian society. It continues by profiling the women entrepreneur in the country and ends by highlighting the acute problems that women-led firms encounter in their activity.

Low-income women have traditionally contributed to productive activities, such as small scale agriculture, agro-processing, crafts and home industries, as well as trade and commerce.

Moreover, the report addresses the policies and institutions dealing with women empowerment in Albania including: legal provisions for women empowerment, commitments that are about to be implemented or that haven’t been fully implemented yet to with. In same part of the report the key players in the area of women’s entrepreneurship have also been listed.

The report concludes with recommendations on how to enable women’s entrepreneurship by removing the perpetuated barriers that this report summarizes.

1.1 Objectives of the research
This research is an assessment of the existing environment for women’s entrepreneurship in Albania in order to analyse qualitative and quantitative data into findings on the scope to which initiatives address the present’s barriers to the growth and development of women’s enterprises. The research processes mainly six strategic documents: the Strategy for Development and Integration, 2007 –2013; the Business Strategy for Development and Investment 2013-2020; the National Strategy on Gender Equality and against Gender-Based and Domestic Violence (2011-2015); SME Policy index (2012); the Strategy on Employment and Vocational Training (2007); The Small Business Act fact 2012 Albania (EU 2012).

In fact, the assessment includes the analysis of the situation faced by women entrepreneurs in Albania with particular emphasis on the legal environment, on the premises and services, on policies that establish a favourable climate for start-up businesses and for business growth, as well as on policies that enable equal opportunities.

1.2 Methodology
The methodology is in accordance with the ILO Integrated Framework Assessment Guide (Stevenson 2007). The aim of the methodology is to promote systematic assessment of the enabling environment for women entrepreneurs which will fit into a wider policy debate for the support of women entrepreneurs by the Government of Albania, public institutions and civil society organisations contributing to policy making. The assessment will cover the following core areas:

1. Policy leadership and coordination;
2. Regulatory and legal issues;
3. Promotion of women’s entrepreneurship;
4. Access to entrepreneurial education and training;
5. Access to credit and financial services;
6. Access to Business Development Services (BDS) and information services;
7. Access to women’s entrepreneur associations and networks;
8. Access to business premises;
9. Access to markets; and
10. The state of research on women enterprise.

1.3 Limitations of the research
There were some limitations identified during the compilation of this report i.e not all sufficient data existed that was required to be analysed by the ten core areas. In addition, the secondary data provided was skewed towards providing an urban overview of the small and medium enterprises sector when 50 percent of the national population resides in the rural areas. More disaggregated data needs to distinguish between owners and administrators by sex since the two duties are different and they have different results in terms of entrepreneurship.

1.4 List of consulted and interviewed organization
1. **AIDA** - Albanian Investment Development Agency
2. **DPEOF** - Directory of policies for equal opportunities and family
3. **INSTAT** - Albanian Institute of Statistics
4. **METE** - Ministry of Economy, Trade and Energy
5. **MoF** - Ministry of Finance
6. **MLSAEO** - Ministry of Labour, Social Affairs and Equal Opportunities
7. **NES** - National Employment Service
8. **IL** - Inspectorate of Labour
9. **SHGPAZ** - Professional Business Woman and Crafts Association
10. **UNW** - United Nations for Women
11. **Biznes Albania**
12. **Tirana Bank**
13. **Credins Bank**
14. **FAFDC** - First Albanian Financial Development Company
15. **Vitrina University**

2. Assessment of the enabling environment for women’s enterprise development
This chapter examines the broader framework conditions in which gender equality and women’s enterprise development occurs in Albania. A more detailed analysis of the enabling environment for women’s enterprise development is presented in Chapter 3. The framework conditions are assessed under the following themes:

- Country context
- Constitutional and national legal frameworks for gender equality;
- Political participation of women;
- Government institutional frameworks for gender equality and women’s enterprise development;
- The social and economic environment

2.1 Country context
Albania is a middle-income country which has made enormous strides in establishing a credible multi-party democracy and market economy over the last two decades. Albania has generally been able to maintain positive growth rates and financial stability, despite the ongoing economic crisis\(^4\).

Over the past decade, Albania has been one of the fastest-growing economies in Europe, enjoying average annual real growth rates of 6 percent, accompanied by rapid reductions in poverty. Between 2002 and 2008, poverty in the country fell by half (to about 12.4 percent) and extreme pov-

\(^4\) *World Bank*: Following graduation from the International Development Association (IDA) to the International Bank for Reconstruction and Development (IBRD) in 2008
Property now affects less than 2 percent of the population. From 2007-2012, the Albanian economy grew by 22 percent, while exports doubled from 2009-2011.

Although Albania has been weathering the impact of the global financial crisis rather well, the recovery to above 3 percent growth rates during 2011 moderated in 2012, reflecting the deteriorating situation in the Eurozone, and the difficult situation in the energy sector. Real GDP growth turned negative in the first quarter of 2012 for the first time since the 2009 crisis. Growth picked up in the second quarter but expectations remain weak for the second half of the year.

Albania has a plural legal system with a unicameral parliamentary system with an 'Assembly' consisting of 140 deputies. The Government of Albania has the overarching role of developing appropriate policies and laws, and creating an enabling environment to promote private investment and active participation of its citizens in economic growth and development.

The principle of gender equality is foreseen by the Albanian Constitution (1998) in the framework of the classic article of equality and non-discrimination. At the same time, the Constitution has decided the need for positive measures, for objectively justified cases. Pregnant women and new mothers are provided with special protection from the state.

Albanian Parliament has adopted the Law “On Gender Parity in Albania” (2007). This Law sanctions the equal positioning for both sexes in the fields of employment, education and decision making. This legal act is against discrimination and it provides basis for legal punishment when its violation is acknowledged.

The population of Albania is 3 million and around 50% of the population is rural and employed in the agricultural sector (WB 2012). The majority of rural population (70%) engaged in agriculture is women while 6 per cent are owner farms.

2.2 Constitutional and legal frameworks

Albania’s political system is a presidential parliamentary democracy. The Parliament of Albania consists of a unicameral assembly. The Government of Albania has the overarching role of developing appropriate policies and laws, and creating an enabling environment to promote private investment and active participation of its citizens in economic growth and development. Women are granted equal rights with men in all spheres of their lives by Albanian Constitution. Moreover, this one states that the “Children, the young, pregnant women and new mothers have the right to special protection by the state” (Art 54).

Albania’s commitment to international human rights includes:

- The Convention on the Elimination of All Forms Discrimination Against Women
- Albania is a signatory to 57 ILO conventions, including the eight core labour conventions (7 Conventions have been denounced; none have been ratified in the past 12 months) (ILO 2012)5.
- Convention on Preventing and Combating Violence against Women (2011)
- On February 2013, Albania signed the COMMIT declaration to end violence against women and girls. Albania joins other 20 governments, to make this commitment worldwide.

2.3 Political participation

The electoral system is based on proportional representation. However, there is a debate among academics over the effectiveness of this representation. Quotas doubled the number of women parliamentarians in Albania, to over 16 percent. After the May 2011 local elections, only 1.31% of the elected mayors were women, while 12.4% of the elected members of local councils were women6.

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5 ILO: www.ilo.org/Albania
While the representation of women in decision-making structures is apparent, these are not enshrined in the Constitution. There is a set of structures responsible for the coordination and promotion of gender equality in the country. This includes the:

- Council of Ministers
- National Council for Gender Equality
- Ministry of Ministry of Labour, Social Affairs and Equal Opportunities (MLSAEO);
- Parliamentary sub-commission on “Gender Equality and child protection”, under the permanent commission of “Labour, Social Affairs and Health”.
- Directory of policies for equal opportunities and family (DPEOF at MLSAEO);
- And Network of Gender Focal Points (central and local level) and
- Various civil society organizations.

2.4 Government frameworks for planning and development

The National Strategy for Development and Integration 2007-2013 (NSDI) is being drafted for the period 2013-2020. It is supposed to be a strategic document for Albania that will attempt to harmonize and provide a basis for economic and social development, integration into European Union structures, as well as to achieve the UN Millennium Development Goals.

Implementation of NSDI envisages the building of policy analysis capacity to ensure that the goals/objectives of NSDI are effectively translated into concrete policies and programs at the ministry level. NSDI informs the medium-term budget process by providing a long-term direction for the resource allocation across sectors medium-term expenditure plans. Linking the budgeting from the medium to long term national strategic priorities and goals in a single strategic planning process is the crucial goal of the adoption of the Integrated Planning System (IPS) by the Albanian Government.7

Meanwhile the new NSDI 2013-2020 is being drafted within the period January 2012 - March 2013. Various stakeholders and the civil society have been consulted. Finalization of NSDI 2013-2020 is projected to take place on second half of 2013. The Business Strategy for Development and Investment 2013-2020 (included on NSDI), is programmed to support businesses run by women regardless of their physical abilities.

Albania’s progress in recent years in respecting and promoting gender equality is highlighted in a series of international commitments as well as domestic legal and policy development and implementation. Since 2008, Albania passed the Gender Equality in Society Law, established the national gender machinery, improved the Law on Measures against Violence in Family Relations, opened the first national shelter for victims of domestic violence, established the mechanism of coordination and referral of domestic violence cases in several municipalities, evaluated the National Strategy for Gender Equality and Domestic Violence (2007-2010), and approved the revised NSGE and against Gender-Based and Domestic Violence (2011-2015).

In addition, Albania created a stronger data collection system through conducting Domestic Violence, Time Use and Demographic Health Surveys as well as through approval of a series of gender indicators that will mandate gender disaggregation of public statistics for a number of entities.8

The Council of Ministers approved a gender mainstreaming budget directive – an important milestone in the road toward gender equality in the country. Gender mainstreaming is a globally accepted strategy to promote gender equality. The decision of Albania’s CM on gender-mainstreaming the budget is expected to lead to more investment in special programmes in developing sectors such as agriculture, health, education, and transport. The plan makes it compulsory for

7 www.dsdc.gov.al
8 Undp: Gender Equality and Gender Based Violence Programme (May 2012 – April 2014)
ministries to at least include one gender objective in the budgetary programme. This is one of the many steps Albania has taken to promote gender equality.

The National Strategy on Gender Equality, Reduction of Gender Based Violence and of Domestic Violence and its Action Plan for 2011-2015 was approved in June 2011. The national plan has gender indicators and targets across all its pillars, and gender-sensitive indicators have been included in government performance monitoring frameworks in Albania. This represents significant progress.

In Albania, UNWomen is supporting organizations of women with disabilities to ensure that the concerns and recommendations are reflected in the respective Strategy. This resulted in the inclusion of provisions for women and girls with disabilities in the final draft of the Strategy and its Action Plan.

2.5 Socio-economic indicators

Annual GDP growth in Albania remained relatively weak in 2011, slowing down to 2.5 % compared with 7%-9 % between 2005 and 2008 (IMF), and substantially below the forecasts of the Ministry of Finance. The budget deficit in 2010 was 3.7 % and the forecast for 2011 is 3.7 %. Public debt in 2010 and 2011 reached 58.3 % and 59.4 % of GDP respectively (IMF, 2011), just below the limit of 60 % set in the Organic Budget Law (OECD assessment 2012).

In 2011, the Ministry of Economy, Trade and Energy (METE) launched an Electronic Registry for Business Legislation. The Electronic Registry contains all legislation and ministerial orders relating to business. It has been designed to aid SMEs, as well as the general public, to find information regarding starting up and developing businesses. Its distinctive features are that it contains legislation in force, forms, and decisions of the Council of Ministers, Orders and Instructions of the Council of Ministers and ministries, and Orders and Instructions of regulatory and other independent institutes with legislative or regulatory powers. It also makes available draft proposals for comment.

On March 2013 Albania has signed the Convention on Mutual Administrative Assistance in Tax Matters, a multilateral agreement developed jointly by the Council of Europe and the OECD.

Albania’s economy is relatively diversified. Agriculture, transport, manufacturing, energy, fisheries, and tourism make important contributions to the economy. Agriculture is one of the most important sectors of the country as it involves 70 % of the national population (IFAD 2010).

Table 1: ALBANIA – Basic Economic Indicators

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<tr>
<td>Real growth GDP%</td>
<td>5.7</td>
<td>5.4</td>
<td>5.9</td>
<td>7.5</td>
<td>3.3</td>
<td>3.91</td>
<td>2.72</td>
<td>1.8</td>
</tr>
<tr>
<td>GDP (min ALL)</td>
<td>814.7</td>
<td>882.2</td>
<td>967.6</td>
<td>1,089.3</td>
<td>1,148.1</td>
<td>1,222.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployment %</td>
<td>14.1</td>
<td>13.8</td>
<td>13.2</td>
<td>12.5</td>
<td>13.6</td>
<td>13.5</td>
<td>13.32</td>
<td></td>
</tr>
<tr>
<td>Inflation %</td>
<td>2</td>
<td>2.5</td>
<td>3.1</td>
<td>2.2</td>
<td>2.28</td>
<td>3.56</td>
<td>3.45</td>
<td>1.9</td>
</tr>
<tr>
<td>Public Debt</td>
<td>57.4</td>
<td>56.2</td>
<td>53.5</td>
<td>54.8</td>
<td>59.7</td>
<td>58.52</td>
<td></td>
<td></td>
</tr>
<tr>
<td>External Debt</td>
<td>17.2</td>
<td>16.6</td>
<td>15.3</td>
<td>18.0</td>
<td>23.4</td>
<td>25.19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchange ALL/USD</td>
<td>99.9</td>
<td>98.1</td>
<td>90.4</td>
<td>83.9</td>
<td>95</td>
<td>103.9</td>
<td>100.8</td>
<td></td>
</tr>
</tbody>
</table>

Source: Bank of Albania; INSTAT, Ministry of Finance, IMF, EBRD

9 John Hendra, December 2012
10 UNW Deputy Executive Director Lakshmi Puri, Oct 2011.
11 OECD: Albania is the 43rd country to sign the Multilateral Convention since it was updated to meet the international standard on transparency and exchange of information and opened for signature to all countries in June 2011.
The last estimation (2011) national survey produced by the National Institute of Statistics (INSTAT), shows that women constitute 51 percent of the total national labour force (1.07 million), which is estimated at 560 thousands.

During 2005-2010, the national economy (as that of other countries in the region) was characterized by stable and quick rates of production growth, financial institution consolidation, reduction of unemployment and relatively low inflation rates.

3. Assessment of the enabling environment for women’s enterprise development

This chapter provides an analysis of the ten elements enabling the development of an environment for women’s enterprise:

1. Policy leadership and coordination for women’s enterprise development;
2. The legal and regulatory framework for women’s enterprise development;
3. The promotion of women’s entrepreneurship;
4. Women’s access to entrepreneurial education and training;
5. Women’s access to financial services;
6. Women’s access to business development services;
7. Women’s participation in business associations and networks;
8. Women’s access to business premises;
9. Women’s access to local, national and international markets; and
10. The state of research on women’s enterprises.

3.1 Policy leadership and coordination

Actually Albania does not have a specific policy framework for women’s enterprise development. There is a general reliance on the broader policy framework, meaning : the Business and Investment Development Strategy, National Strategy on Gender Equality, Reduction of Gender Based Violence and of Domestic Violence and its Action Plan, along with other policy and programme instruments as detailed in the NSDI.

The Business and Investment Development Strategy 2007-2013 aims to establish a partnership between the Government and the business sector.. The strategy planning process is inclusive of policies supporting business and improving business regulatory infrastructure. One considerable positive development was the establishment of the National Register Center, which became fully operational as a one stop shop available to businesses.

Economic empowerment is one of the main strategic objectives enshrined in this strategy, which among other, calls for improved women’s access to financial capital and assets. The action plan included in the strategy foresees a series of instruments in order to support the achievement of this objective, such as the establishment of crediting platforms for women; the organization of information sessions on business management and use of credit financing; facilitating rural women’s access to land properties and other assets through the adjustment of the regulatory framework on immovable properties. This priority has been sustained also in the new NSDI (2013-2020) and most importantly, promotion of women’s entrepreneurship has been emphasized as one of the main directions for SME development policy as set out in the sectorial strategy for Business and Investment Promotion (2013-2020).

Moreover, the NSDI draft (2013 – 2020) indicates significant gender awareness ensuring equal participation of women and girls in the social, economic and political life of the country, aiming at women’s economic empowerment and the increase of their participation in decision-making, as part of the new strategy’s vision (NSDI, p.10). Indeed, the strategy addresses in different chapters several areas of women’s economic empowerment such as land ownership and credit guar-
antee funds to support women-led businesses. Apart from better access to VET, work training programmes and active market measures targeting women, the strategy aims to promote entrepreneurship for women and eventually increase the number of SMEs run by women from 26% in 2011 to 40% in 2020, as well as to increase the number of women benefiting from agricultural support schemes to 30%.

Actually the Government of Albania has requested via METE UNWomen to provide a study work on assessing the business women situation on different pilot regions12. The draft study has been presented by the Working Group in METE and next October will be launched.

Secondly, METE the women’s entrepreneurs will be part of lobbying process on the new NSDI 2013-2020. In this regard UNWomen will support the lobbying process and will prepare with METE real actions and recommendations with time defined.

3.1.1 Ministry of Economy, Trade and Energy

The Ministry of Economy, Trade and Energy, Directorate of Competitiveness is the focal point for policies on women entrepreneurs. An Interdepartmental group has been established for women’s entrepreneurship policies with representatives of METE, AIDA, Ministry of Labour, Ministry of Agriculture, INSTAT and the Bank of Albania. In Business Development Strategy And Investment Policy 2013-2020 are programmed to support businesses run by women and its monitoring mechanism.

Albania’s Human Development Index (HDI)13— for 2012 was 0.749, positioning the country at 70 out of 187 countries and territories. Between 1985 and 2012, Albania’s HDI value increased from 0.651 to 0.749, an increase of 15% or an average annual increase of about 0.5 percent. This country is characterized by a high labour force potential concentrated at the most productive age and the creation of new work places represents one of the most complex challenges. This calls for support in the form of macroeconomic stimulation policies, a favourable climate for business development and sound and stable education policies.

There are existing policies and programs on support of all types of businesses without distinction to those with disabilities. About 85% of companies active in Albania are private companies. Public SMEs are very limited. METE does not possess statistics about the number of firms lead by people with disabilities. There are actual measures in place focusing on stimulating growth in women SMEs and they are applicable on various levels: improvement of business climate by reducing tax bare flat tax of 10% for income tax and corporate profit tax, reduction of social security bare employee by 50%, lifting VAT for investments in machinery lines, etc14.

The business strategy and Investment Development 2007-2013, prioritises, among others, measures supporting female entrepreneurs. So in 2012, the fund for handicrafts was approved, and it becomes effective during 2013 and it will primarily benefit female artisans.

In addition, since 2007, the government has created the donor SME Forum, which meets at least two times a year. The Forum is a platform which presents the best experiences of various projects in the field of SMEs, and discusses possibilities for financing programs that are needed for the development of SMEs and for women entrepreneurs. The Forum still lacks the membership of private women actors as the case PBWHA as Women Associations

The Business Consultative Council was founded under METE’s umbrella and it still functions accordingly. The general opinion is that this council is not working as a real forum for public business discussions and it is rarely meets. For the future, the new Government foresees to change the presentation of this Council.
In addition, the Programme for development of the Albanian private sector through credit line for SMEs and relevant technical assistance (PRO-DAPS) was established. The program unit is located within METE and it offers 25 million Euro in soft loans for a Credit Line in favour of Albanian SMEs. The Italian-Albanian Agreement of Cooperation for the period 2010-2012, signed on 12 April 2010, provides for financial support in the amount of 51 mil (28 Million as soft loans, loans 20 mil as Swap and 3Million Euro as a gift) in order to support the three main sectors:

Financing Program for the Development of private sector with additional funds 15 Million EURO;
Agriculture and land management and 10 Million EURO;
28.1 Million EURO social development.

3.1.2 Gender related budgeting

The Council of Ministers’ decision from July 2012 concerning gender mainstreaming in the medium-term budget programme for all line Ministries had been approved. Awareness-raising activities have focused on women’s political participation and gender quota, women’s entrepreneurship and combating violence against women. However, women continue to be under-represented in the labour market, in particular in political and economic decision-making. Sufficient financial and human resources are lacking at central and local government levels which leads to slow implementation of the 2011-2015 national strategy on gender equality.

However Albania should continue its recent reforms to strengthen the eligibility for social assistance of last resort, management information systems, and oversight. Government can strengthen the links between benefits, employment, and social services to reduce dependency and promote employability.

3.2 The legal and regulatory framework for women’s entrepreneurship

Based to the actual Law on SMEs (2008), the micro and small and medium enterprises (SMEs) are that category of enterprise which employ no less than 250 people and generate an annual turnover of no more than 250 million ALL.

For statistic purposes, the enterprises are classified as follows:

a) Micro enterprise: 0 to 9 employees, which includes groups from 1-0 and 2-9 employees; turnover no more than 10 million ALL
b) Small enterprises: 10 to 49 employees; turnover no more than 50 million ALL
c) Medium enterprises: 50 to 249 employees;

According to INSTAT data, 26.4% of the enterprises are managed by females. Women’s businesses tend to be located in the large urban areas such as Tirana, Durres and to focus on providing services such as hair-dressing, child care, tailoring, dentistry, pharmacies, and legal counselling. It can be difficult to accurately gauge the number of women running businesses because some businesses are officially registered in the husband’s name, even if they are in fact ran by their wife. Albania defines business size according to the number of staff it employees and according to turnover.

3.2.1 Women-owned enterprises

Number of individuals and firms listed in the registry’s database from the start, 2008 is around 106.500 (referring to NRC: firms and individuals). They contribute to 80% of the GDP and endorse the employment of 82% of labour force.

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15 The Program Management Unit (PMU), established within the METE with Albanian and Italian experts;
16 World bank: South East Europe Economic report No.3 2012.
17 Law No.10 042, dated 22.12.2008 Amendments on Law No.8957, dated 17.10.2002 “For small and medium enterprises”.
18 Census of non agriculture economic enterprises, INSTAT 2010, pg.8-9
19 Gender Alliance for Development Centre (2010). Women’s Labour Rights in Albania; Financed by the EU
20 Law on SMEs No.10 042, dated 22.12.2008
21 NRC- National Registration Center
More than 98% of total numbers of enterprises in Albania are SME (METE 2012).

National data on small and medium enterprises (SME) is generally not sex disaggregated. As a result, it is difficult to determine accurately the percentage of women owned small and medium enterprises or their specific contribution to economic growth.

The uncertainty for women in employment and social security entitlements, their concentration in family farm and unpaid farm work, as well as their higher rates of inactivity, should be carefully examined as factors that might inhibit entrepreneurship initiative and opportunities.

**Table 2: SMEs in Albania — basic figures**

<table>
<thead>
<tr>
<th></th>
<th>Number of Enterprises</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Albania</td>
<td>EU27</td>
</tr>
<tr>
<td><strong>Micro</strong></td>
<td>70 637</td>
<td>95.8%</td>
</tr>
<tr>
<td><strong>Small</strong></td>
<td>1 579</td>
<td>2.1%</td>
</tr>
<tr>
<td><strong>Medium-sized</strong></td>
<td>1 428</td>
<td>1.9%</td>
</tr>
<tr>
<td><strong>SMEs</strong></td>
<td>73 644</td>
<td>99.9%</td>
</tr>
<tr>
<td><strong>Large</strong></td>
<td>58</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>73 702</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: SME Albania’s SBA 2012

**3.2.2 Labour market**

The availability of benefits that women entrepreneurs can access in relation to social security and protection programmes (such as childcare, maternity protection and health insurance), innovative support mechanisms for disadvantaged groups, and programmes to improve work-family balance for both women and men are policies undertaken by the Ministry of Labour. Regarding the respect of the equal gender representation principle in the field of social insurance Article 19 (Labour Code), is the obligation of the MLSAEIO in charge of gender equality with the Minister of Finance, in order to ensure the implementation of measures for monitoring gender equality in the field of administration and management of the public pension system and other Property Rights related to social security.

The ILO project “Assistance to strengthen the employment and training system of the National Employment Service”23 has provided different conclusions in the field of policy interventions for employment among which one particularly relevant in regard, namely that: “The extension of the model of decentralised management of active labour market programmes should be encouraged within the National Employment Service, targeting of disadvantaged groups for participation in ALMPs (active labour market policies) needs to be carefully managed.”

22 Ref: Decision of the CM.397 dt.20.05.1996 for special protection of pregnant women and motherhood; ILO Convention 102 ratified Social insurance law nr.9442 dt.16.11.2005 Convention No. 156 workers with family responsibilities ratified by Law 9973 dt.12.07.2007
23 www.ilo.org/wcmsp5/groups/public/; Project Code: ALB/03/50/ITA
Regarding the registering process to formalize their enterprises by creating a one stop shop for business registration is very easy for all business (also for those female) to be recorded, not only in Tirana but in all municipalities of the country. Efforts have been made to inform the business entrepreneurs women and men, on matter related to taxation, registration etc. This information can be found on any website of public institutions and e-government portal, but that requires the businesswoman to have skills in using the internet, to own a computer and also to have enough time to navigate in order to find appropriate information.

The best choice however remains to inform business women about all government programs, taxes and taxes, registration, licensing, etc, through a single portal and to regularly provide information on new programs to a central contact point which might well be an association of women in business.

### 3.2.3 Simplified Licenses for Business

Aspects provided by the legal and regulatory environment have the potential to impact significantly on women’s capacity to start, to formalize and grow viable enterprises. Here, three areas have been identified as being particularly influential:

The first one is the system of laws and institutional arrangements in the country, that are concerned with women’s equality, as it is well known that women’s rights are protected by law. As mentioned above, there is a national policy focusing on gender. Moreover, the implementation of laws in this respect and their monitoring is done by MLSAEO. Regrettfully, METE does not possess any statistics regarding ownership of property in this regard.

Secondly the registering companies, legal entities and other entities in Albania, is done through the National Registration Center.

<table>
<thead>
<tr>
<th>NACE Rev. 1 Section</th>
<th>Economic activity</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Albania</strong></td>
<td></td>
<td>974</td>
<td>899</td>
<td>917</td>
<td>928</td>
</tr>
<tr>
<td><strong>A; B</strong></td>
<td>Agriculture, forestry, fishery</td>
<td>568</td>
<td>496</td>
<td>507</td>
<td>507</td>
</tr>
<tr>
<td><strong>C</strong></td>
<td>Extracting industry</td>
<td>5</td>
<td>5</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td><strong>D</strong></td>
<td>Manufacturing industry</td>
<td>56</td>
<td>53</td>
<td>53</td>
<td>63</td>
</tr>
<tr>
<td><strong>E</strong></td>
<td>Electric power, water industry</td>
<td>25</td>
<td>26</td>
<td>26</td>
<td>21</td>
</tr>
<tr>
<td><strong>F</strong></td>
<td>Construction</td>
<td>46</td>
<td>40</td>
<td>39</td>
<td>35</td>
</tr>
<tr>
<td><strong>G</strong></td>
<td>Trade</td>
<td>53</td>
<td>58</td>
<td>58</td>
<td>65</td>
</tr>
<tr>
<td><strong>H</strong></td>
<td>Hotels, restaurants</td>
<td>12</td>
<td>12</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td><strong>I</strong></td>
<td>Transport, communication</td>
<td>26</td>
<td>23</td>
<td>24</td>
<td>26</td>
</tr>
<tr>
<td><strong>M</strong></td>
<td>Education</td>
<td>37</td>
<td>40</td>
<td>42</td>
<td>41</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>Health</td>
<td>28</td>
<td>26</td>
<td>27</td>
<td>28</td>
</tr>
<tr>
<td><strong>J; K; L; O; P; Q</strong></td>
<td>Others</td>
<td>118</td>
<td>120</td>
<td>122</td>
<td>112</td>
</tr>
</tbody>
</table>

Source: INSTAT 2012
(NRC) of Albania. The Center’s main attribu-
tions include ensuring a good communica-
tion between citizens, public institutions and
state authorities. Registering a company at
the NRC is done through an application at the
one-stop-shop. The application should contain
information on the company, relevant docu-
ments as articles of association, declaration of
shared capital, etc. The registration procedure
is completed rapidly and a registration certifi-
cate is issued.

At the One stop shop for business registration-all
the businesses can be registered within one day
and the cost is less than 1 Euro.

Thirdly the NRC’s role is to inform the public,
maintaining an information database on com-
panies. The access to registry information via the
internet is available for inquiry; therefore it can
be done on line on Centre’s web site, or by going
to one of its several offices in Albania. The one-
stop-shop service includes full electronic access
to the information stored in the registry, thus
available to the general public, to foreign inves-
tors and governmental institutions. In addition,
if companies make significant changes in their
structures the Registration Centre has to be noti-
fi ed in order to ensure the continuous update of
the information in store.

The government is also looking to minimize
and simplify tax procedures in overall. Anew E-
banking system has recently been tested in some
second-tier banks and by mid-2013, it should be
ready to go live. This is one of those innovations
that will provide our taxpayers with a significant-
ly simple bureaucratic burden. In addition to this,
a second online system going live by mid-April,
named M-tax, will enable companies regularly
access and stay informed about their tax status,
just by the use of the internet or their mobile
phones. These two systems will undoubtedly
contribute to a favourable and more effective
business environment24.

Based on SME Policy Index over Western Bal-
kans and Turkey 201225 it appears that the
business environment has improved; Econ-
OMIES have made good progress through
reforms aiming at simplifying administra-
tive and company registration procedures,
strengthening institutions that support SMEs
and increasing inter-agency cooperation.
Nonetheless, this progress has appeared unevenly across the region, and the pace of
reform is slowing; the global financial crisis
has shifted government attention away from
structural SME policy reforms toward short-
term support measures.

Actually in Albania the progress shows to have
good growth policies in place including policies
for high growth enterprises, access to finance
and skills development but the targeted support
measures for SMEs are still in their infancy.

Looking at the new Plan of Actions for the im-
plementation of Strategy for Business and In-
vestments 2013-2020, activities and measures
are listed with their cost evaluation for different
objectives as: continuing improving the business
clime; promoting the entrepreneurship culture,
for SMEs etc.

Special consideration is given to a new leg-
islative framework and programs dedicated
to support women entrepreneurs. The State
Labour Inspectorate ensures the control and
the compliance with measures for the imple-
mentation of gender equality in labour rela-
tions and the field of employment, in social
security and health and safety at work of em-
ployers and persons employed in the public-
sector and private. Social service institution
has the duty to inspect and implement meas-
ures to respect the principles of gender equal-
ity in the field of implementation of policies
and economic legislation, payment for per-
sons with disabilities and social care services
across the country.

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24 Deloitte Tax Day – Corporate Income Tax Declaration and
potential changes in the fiscal legislation during 2013- March 2013

25 OECD 2012 SME Policy Index: Western Balkans and Turkey
2012 Progress in the Implementation of the Small Business Act for Europe
3.3 The promotion of women’s entrepreneurship

The METE facilitates economic growth which is why it has established the Albanian Investment Development Agency (AIDA) that aims at increasing the Albanian economy’s competitiveness by making it more attractive for foreign investors and simultaneously, by supporting the development of SMEs and of Albanian exports. However, its mechanisms don’t recognize a need to develop programmes promoting entrepreneurship that specifically target women.

In Albania women dominate the micro-enterprise sector, demonstrating their true potential as entrepreneurs, employers and economic actors. Promoting women entrepreneurs could prove the importance of women entrepreneurs in the economy, and their potential for further growth. Considering the historical economic development in Albania, during the transition period, many women have started their business without a preliminary legal framework and they have continued doing so even afterwards, with the passing of the Law on Legal entity or legal person (1995).

And over time, they began to invest and expand their businesses. Their “qualification” was made firstly in the road on open space and formative in formation began to become vis-à-vis the last 5 years including on-line method. The use of communication technology was very necessary but there are other major obstacles among the others as: PC prize, English communication, internet services etc.26

During this transition period, starting and maintaining a business was even more difficult for a woman especially due to both political reasons and a general patriarchal mentality, and this even in urban areas. In spite of all these barriers, this has not prevented many women to engage indifferent sectors including the risky markets such as importing cigarettes, or working with gold and jewellery. Even the existence of monopolies in different sectors of the economy did not stop women in business to find trails to preserve the quality of life of family, education of children and investment in the medium term beneficial sectors of the economy such as education at all levels and economic branches (pharmacy, jurisdiction, free professions, etc). Albania’s economy grew 1 percent on the heels of domestic demand and lower exports and investments drove these developments.27

The linkage between peace, political stability and economic development confirm to be stronger than in the past, due to the democratic and social reforms which are applied over the country.

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26 SHGPAZ study
27 World bank: South East Europe Economic report No.3 2012.

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![Graph showing income distribution across different groups](image-url)
The close interdependence of economic and social policies has long been recognized. One important national goal was the revision of laws and administrative practices to ensure women’s equal rights and access to economic resources. Mainstreaming gender strengthens women’s active involvement in poverty alleviation.

The PBWHA was recognised from the beginning as the promoter of its member’s good practices. The Professional Women’s Association had the ability to identify best practices and to use the best format in order to promote member business, all this by making visible their business model, writing articles in the daily newspaper, participating on TV shows, selecting “Handcraft Woman of the year,” “Rural woman of the year” etc. In 2012 in Brussels at the SME week of EU PBWHA promoted two businesswoman member of the association. Lastly SHGPAZ also promoted new entrepreneurs in the European network.

In addition there are existing promotional activities, and /or positive role models which are being created. Only one association, PBWHA, working since 1992 for this group of interest, closely referring to the socio-economic interests for the country, created a realistic and democratic model of an association (NGO) that collect and distribute information, training, b2b, trade missions, fairs, lobbying and promotional activities with Albanian women in business. The publication of a newspaper “Orbita” and a monthly newsletter created a positive woman role model in the country and abroad. There are many such examples, eg 10 Albanian ambassadors and 10 mentors of European network of female entrepreneurship, winning the European SME week and the world price of women who make difference among 100 winners. Even in the country there are hundreds of examples listed alongside successful men in business still the government assessed the state of women entrepreneurs as a national success model, winning awards at various levels.

Regarding the vulnerable groups, such as women with disabilities or victims of human trafficking, Albania still has some sporadic parallel programs that are not very efficiently organized. The training programs are offered especially for basic culture on handicrafts and tailoring. The service area is covered by different private consultancy companies with entrepreneurial culture as it is also the Association of PBWHA. Having the motivation and the know-how to pass on their profession to women in more need, PBWHA members have been providing practical learning and learning of crafts and helping to sell out on the market. But here again, there is still need to better coordination between the state, or from donors or international institutions to create an unbroken chain of inclusion of these vulnerable categories to entrepreneurial culture.

3.3.1 Gender equality policies and their implementation

In the last years look the country seems to have been more committed to policies on gender equality and their implementation. During the year of 2012, awareness of decision-makers of gender policies was increased, thanks to the support of UN Women. There has been some progress regarding women’s rights and gender equality, which is part of a key priority of the European Commission. Albania has started to implement the 2011-2015 national strategy on Gender Equality and the Fight against Domestic Violence and Gender-Based Violence, for instance by drafting an action plan including costing and training courses for Gender Focal Points from central to local level.

In July 2012, a Council of Ministers decision on gender mainstreaming in the medium-term budget programme for all line Ministries was approved. The network of full-time gender equality officers consists of 17 persons in municipalities and 2 in line ministries was established.
Women continue to be under-represented in policy-making and politics. The latest news from the registered parties for the upcoming elections of June 2013 shows that the gender quota introduced by the electoral code amendments is not respected in practice.

3.4 Access to enterprise education and training

Concerning the promotion of the entrepreneurship culture, action has been taken mainly in the area of education. Entrepreneurship was included in the curriculum for the academic year 2011-2012. The initiative is supported by the Institute for Educational Development (IED) and the Albanian National Agency for Vocational Education and Training (NAVETA), which provides training and support for teachers.

In 2011, a memorandum on cooperation in entrepreneurship learning was signed by the Ministry of Economy, Trade and Energy (METE), along with the Ministry of Education and Science (MoES) and the MLSAE. Its aim is to create an education system that stimulates self-employment and entrepreneurship.

Entrepreneurship learning shall also be implemented in the general secondary education and in vocational education schools, from 2010 to 2012. The Institute for Education Development is introducing entrepreneurship learning through the learning program and teaching materials as compulsory or required optional subjects, professional modules or as a skill and cross-curricular issue. The Albanian National Agency for Vocational Education and Training (NAVETA) introduced entrepreneurship education as a separate compulsory subject in the vocational education curriculum.

The active players on offering vocational education training and market-oriented tools from the beginning were: USAID, GIZ and finally UNWOMEN. Actually, there is under implementation different donor’s projects as for example EDEP GIZ. The EDEP working methods is by nucleus a good way to unsubscribe in view of their problems and find appropriate services and solutions.

3.5 Women’s access to financial services

Regarding the access to credit and other financial resources, women entrepreneurs have equal rights in respect of lending by financial institutions. The lending analysis for the credit risks is done primarily considering financial indicators of the company (and not the gender). There are several Governments’ Funds that provide lending in general:

- The program on the Fund for the guarantee of export credit financing is part of guarantees issued by the state up to a maximum value of 200 million ALL (1.6 million Euro) and will be in use for a six years period. This fund will act as a security mechanism and guarantee the bank’s claims for collateral in the case of short-term loans. Guarantees are eligible for up to 85% of the requested financing, up to a maximum of 10 million ALL and will be valid for one year. The agency in charge of managing this fund is AIDA and it has established a specific sector that will deal specifically with financial and risk analysis for potential beneficiaries.

- The “Competitiveness Fund” and “Innovation Fund”, both managed by AIDA and aiming to support business start-up and development, which have been specifically designed for micro and small enterprises with export potential. The Competitiveness Fund may finance up to 50% of the enterprises project cost up to 1,000,000 ALL (70,000 Euro). Eligible projects in this program are related to improvements in enterprise management systems; product and system certifications; market research; product marketing; participation in fairs and exhibitions, etc. By the end of 2011 it had approved 98 projects, of which women ran 18, or about 18% of projects financed – which is a close percentage to the over-

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28 www.kqaz.gov.al May 2013
29 Fact sheet 2012 - SBA Small business Act for EU
30 See web: GIZ.de
all weight of women owned enterprises over the total number of enterprises. The Innovation Fund covers 30-50% of the project costs up to 400,000 ALL (2800 Euro) and it support enterprises to audit their needs for innovation and technology, and to identify technology suppliers and partners in other countries.

- The Italian program for SME support through a concessionary credit line of 25 million Euros and a guarantee fund of 2,5 million Euro. Until the middle of 2012 this fund had issued loans for 73 companies for the value of 16.6 million Euro; 8 companies were run by woman. The percentage of beneficiary women-led businesses is relatively lower in this program, arguably because, as highlighted before, women entrepreneurs are more likely to run micro and small enterprises which are not eligible for bigger loans.

The non bank entities which cover the majority of microfinance system are listed bellow

- Financial Institution for loan: Besa Fund, NOA, FAF and Tranzit;
- Financial Institution for “microcredit”: Vision-Fund Albania and Capital Invest;
- Financial Institution for financial rent: Raiffeisen Leasing, Tirana Leasing, Credins Leasing, Landeslease, Fin-al and Sogelease;
- Financial Institution for “factoring”: Albanian Factoring Services (AFS), Omnifactor and Zig Factoring;
- Financial Institution on consultancy service, intermediation and other: Platinium Investment.

Here, one of the important financial body in support of SME: The First Albanian Financial Development Company (FAF-DC) is a non-banking financial institution providing loans directly to individuals and to SMEs in urban, semi-urban, rural and disadvantaged areas of Albania which are, most cases, are not eligible for bank loans. FAF-DC provides loans mainly for private enterprises that are profitable and stable and whose activities have a positive impact on the development of the area, by creating new jobs and markets, by trying to reduce poverty and improving the living conditions of the people31. This financial entity has Loan Portfolio, gross 1,938,012,972 ALL and loan number for women is 763 32;

According to BoA, women business-owners borrow 12.2% of total value of loans, as per the number of loans, 31.4% of their total number are taken by women.

This year, though a significant crisis we intend to increase production, but even better organize, cooperate with local and central government, which have a helpful structure for us, as well as a training and cooperation with regional experiences.

Amela Bushati
Shkoder

Regarding the micro-finance situation in urban and rural areas the figures are:

- Rural area 44.44%
- Urban area 24.07%
- Peri-urban area 31.48%

Based to the Progress report of EC 2012 there is little progress in the area of equal opportunities between women and men. There is still a gap between the legal framework and the actual level of equality in relation to employment, pay, access to entrepreneurship and credits.

3.6 Access to Business development premises

The Government has adopted different policies in the field of economy and social welfare. During the period 2009-2011 there Horizontal policies were applied as policies intended to improve the operational environment for all enterprises, such as simplifying regulations and improving the regulatory framework (including access to finance).
In addition, measures were taken, explicitly targeting segments of specific enterprises, such as innovative enterprises, start-ups or export-oriented enterprises.

The main reforms implemented during the period 2006-2010 aiming at improving the business climate, are the following:

- Reform in the area of business registration: A new law on business registration was enacted by Parliament on 3 May 2007. The National Registration Center began operating on 3 September 2007 and besides its headquarters in Tirana, the NRC has an additional 30 offices serving the municipalities.

- Reform in the area of licensing: The National Licensing Center (NLC) was created on June 9, 2009 as a central public institution under METE. Also, a new law reduced the number of licenses and permits from 200 to only 65 categories and subcategories and 46 of them are issued by the NLC. With its one stop shop, the NLC has reduced the administrative barriers to free initiative, cuts down the costs related to the licensing process for businesses, and minimized the level of informality, improving noticeably the business climate in Albania.

- The reduction of cost and the period required for the registration of a new business. Presently, 5 steps of the required procedures for starting a business are eliminated; reducing the number of steps from ten to five ones and the registration period lasts 5 days from 36 days needed before reforms.

- Reduction of fiscal burden for businesses. Since 1 January 2008, a new law has entered into force establishing a flat tax of 10 % for the profit tax (compared to 20% by the end of 2007) and on the personal income tax. Presently, Albania is ranked among the countries with lowest fiscal burdens, compared to the other countries.

- Currently, Albania uses e-procurement, which is a web-based application supporting the automation of tendering activities of the various line Ministries and Contract Authorities of the Albanian Government. After the relevant legislative changes, from January 2009 and on, the e-procurement became mandatory for all the CA-s. The intention of e-procurement is to bring more transparency to overall procurement process.

- The Albanian General Department of Taxation (GDT) starting March 2010, made it obligatory to e-file for all taxpayers subject to VAT and profit tax. Electronic filing is also introduced for income tax and social security contributions. On the tax reform side, the GDT announced at the beginning of 2012 that the taxpayers could download, declare and pay electronically their payments. Instructions have been published on GDT’s website.

- Employment and policies promoting employment, mainly the creation of new workplaces, were among government’s main priorities. However, they were also among the most difficult to achieve, given the conditions of the economy’s deep restructuring, especially in the industrial and manufacturing sectors. The creation of new jobs is a multi-sectoral phenomenon that includes macroeconomic policies along with favourable policies for business, as well as education and social policies, etc.

The government has recently provided a fund of 50 million ALL for the creative industry from which 60% is for feminine crafts. Although they haven’t been delivered yet, part of this fund will also will be granted to the PBWHA network of women in business.

33 www.totime.gov.al.
34 See Note 5)
According to INSTAT data, 26.4% of the enterprises are managed by females. Women’s businesses tend to be located in the large urban areas such as Tirana, Durres and to revolve around providing services such as hair-dressing, child care, tailoring, dentistry, pharmacies, and legal selling. It can be difficult to accurately gauge the number of women running businesses because some of these are officially registered under the husband’s name, when actually they are run by their wife.

Table 3: Structure of the economy

<table>
<thead>
<tr>
<th>(%) of GDP</th>
<th>1990</th>
<th>2000</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>35.9</td>
<td>29.1</td>
<td>20.4</td>
<td>20.2</td>
</tr>
<tr>
<td>Industry</td>
<td>48.2</td>
<td>19.0</td>
<td>19.4</td>
<td>19.3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>..</td>
<td>11.4</td>
<td>19.4</td>
<td>19.3</td>
</tr>
<tr>
<td>Services</td>
<td>15.9</td>
<td>51.9</td>
<td>60.2</td>
<td>60.5</td>
</tr>
<tr>
<td>Household final consumption expenditure</td>
<td>60.5</td>
<td>84.8</td>
<td>87.9</td>
<td>88.0</td>
</tr>
<tr>
<td>General govt’ final consumption expenditure</td>
<td>18.5</td>
<td>8.9</td>
<td>8.8</td>
<td>8.1</td>
</tr>
<tr>
<td>Imports of goods and services</td>
<td>23.2</td>
<td>37.5</td>
<td>54.2</td>
<td>51.8</td>
</tr>
</tbody>
</table>

Source: World Bank

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35. Census of non agriculture economic enterprises, INSTAT 2010, pg.8-9
36. Gender Alliance for Development Centre (2010). Women’s Labour Rights in Albania; Financed by the EU
Referring to INSTAT’s statistics, 50% of enterprises have their main centre of activity in the districts of Tirana and Durres. 50% of the active enterprises have been created during 2005-2009. 62.7% of the enterprises have only one self-employed and 26.4% of the enterprises is managed by females, from which 50% are trade activity: as per INSTAT, 90.9% of enterprises employ 1-4 employees.

The distribution of enterprises according to the economic sectors is: trade (44%), other services (14%), industry (10%) and transport (10%). In the same time, 84% of these enterprises provide services mainly related to commercial activity, hotels, coffee shops and restaurants.

3.7 Access to women entrepreneurs’ associations and networks

In Albania, the encouragement to create the women’s business association has come from the group itself, on understanding the need to join the forces to solve their specific problems. PBWHA case is a clear example where women in business, though small in number, established by themselves the business association and began to promote the rights of women in general and the economic rights in particular. The association in the first 4 years operated only in Tirana, Shkodra and Durres but further spread in other cities like Lezhe, Fier, Vlora, Korca, Pogradec and Kukes. From 2009, PWBHA is one of the founders and board member of BiznesAlbania, the largest business group in Albania.

PBWHA has benefited greatly from the regional, European and world experience sharing, in spite its not being supported by an umbrella organization. It has take part in trainings, seminars, workshops in many countries throughout the Balkans and in almost all the Western and Eastern European countries. Moreover, this association is the most efficient beneficiary of funds grated by foreign donors via applied programs supporting business. For the past 20 years, the association has been active and maximizing several networking channels such as: B2B, business forums, trade fairs, product competitions, creating a national network for women in business.

The demand by women entrepreneurs to be organized has grow over time and many associations after 2000 began to promote crafts women, women farmers, women accountant, women editors, women architects, producers of carpets, bankers etc. As the leading organized structure, having the most experience when it comes to women entrepreneurship, PWBHA has always cooperated with these organizations by inviting them to all its activities, by training their staff, by sharing best practices and supporting them with other additional services.

PBWHA is the only national association which is present in 9 districts, covering all prefectures in Albania. Annually, its members participate in over 120 events organized by the association and others. Membership is different according to the level of business. PBWHA has also part of a wider international network and membership. The association is a member of several international networks of women in business, such as: FCEM, AFAEMME, AIDDA, SEECEL, Balkan network of craft women based in Sofia, Balkan union of woman entrepreneurship with headquarters in Thessaloniki, the GTF with headquarters in Zagreb, etc.

There are existing gaps on managerial level of women organisations. Here we can mention the mentality to work alone, low level of qualified staff and lack on capacities. Women entrepreneurs are better educated than their male counterparts, but they have less managerial experience. Perhaps this is due to the glass ceiling in the workplace which prevents them from getting the experience.

From the beginning, PBWHA’s network has supported new start up business and their formalization. For years, it has been working with the

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37 Census of non agriculture economic enterprises, 2010, pg.8-9
38 Census of non agriculture economic enterprises, 2010, pg.32
39 SHGPAZ annual membership: micro 100 Euro, medium 150 Euro and the largest 200 Euro
40 Angel Gurría, Secretary-General, OECD, December 2012
group of handicrafts which are often family businesses and rural entities. This network has a group of experts that is aware of the specifics of women in business, providing services in support of business specifically through teaching modules designed for women entrepreneurs and focusing mainly on management and marketing. In addition, the association has collaborated with groups of senior experts from Italy, Germany and the USA, in order to increase knowledge of Albanian entrepreneurs in critical areas of business development such as the management, marketing and loan services.

PBWHA has been involved in lobbying relevant decision making structures such as METE, ML-SAO, and other state agencies focusing on economy and investments, with representatives of Parliament and other. As a result, we can mention their direct involvement in drafting National Strategy for Development and Integration 2013-2020, the new Law on taxation and TVA etc. Their cooperation with the public entities differs from one Line Ministry to another.

On the other side, the association has endorsed the public-private partnership strategy for disseminating information concerning government, donor, and private sector programmes and initiatives which are related to the management performance of women entrepreneurs. The HQ of the association is the desk information, the place on organizing meetings with board member, various partners’ collaboration etc. The association promote the woman activated by distributing info materials, sending invitations for association activities, participating in almost all the activities organized by donors, government and private sector programs.

Another effort is PWBHA involvement in all regional initiatives that have a special focus on the business woman. The association has partaken in several regional and European projects, and cooperating with EU member states and donors such as, AIDA, GIZ, EDEP, UNWOMEN, USAID etc. The main goal was: strengthening the structure of society from central to local level, in regional districts and taking active place on sub committees such as the SME, media, crafts, training and projects.

There are other women associations, formed and organized within organizations identified below: i.e.:

- Chambers of Commerce and Industry.
- GDAC – Gender Development Alliance Center.
- American Chamber of Commerce - The WoBAC Committee.

### 3.8 Access to markets

The economic activity of enterprises owned or managed by women is mainly concentrated in services (34.1%) and trade (32.9%) of all enterprises owned or managed by women in 2011. The high percentage of concentration in other services may be worrisome since it most likely captures self-employment, or small business in traditional female activities such as hairdressing, sewing, etc. This is also in accordance with the majority of female owned enterprises being comprised of 1-4 employees. On the other hand, women entrepreneurs also have access in hotels, café, and restaurants (27.5% in 2011), and industry (19.5% in 2011).

On other side the existing and the new entrepreneurs usually lack managerial skills but the new one lack the skills to penetrate new markets. Other limitations for the success of startup businesses are low availability of funding sources or market saturation with similar products or services. On the other hand, penetrating new markets can be very expensive, especially when it comes to export-oriented companies.

There are different opportunities offered by NES or donors to have a multitude of different trainings available that help them in creating the business plan, including the market research segment, but the feedback in the creation of business plan mostly do not correspond to the reality. Since a large number of women entrepreneurs
decide to engage in economic activity in which they already have work experience, initially they rely on clients they plan to retain as customers, and then slowly expand their business.

In this line PBWHA creates opportunities to women in business to participate in seminars, trainings, workshops. One example is the cooperation with the Chamber of commerce of major cities as Tirana, Korca and Vlora on participating together on market exhibitions. The businesswomen community gain information on market opportunities only by PBWHA and its regional branches. On this direction the association is supported time to time by the Chamber of Commerce of Tirana.

PBWHA has used many promotional opportunities for businesses women taking part in the 2-3 national and local fairs per year, and by 2012 the average is about two fairs per month. Even participation in local fairs is increasing while regional or international one shows low participation rate. The concerns are the cost transport, no state support and no preparation for a qualitative and effective participation in countries where the experience is from centuries as Italy, Greece, Germany, France, England, USA and the East countries. In addition SHGPAZ has participated in some commercial missions, but only as in active representative of the sector.

Organizing all the above events has been the result of training and formative capacity of PBWHA, and the organisation of these formats has been more qualitative by having the partnership with training providers in these areas. The entire process has been a benefit to all the woman interest group.

In addition the organizer of these exhibitions was also the MLSAE0 (2-3 times) and two times the Ministry of Tourism. Meanwhile it remains to PBWHA to direct these efforts, given the necessary maturity for these initiatives for SMEs led by women and encouraging creative and entrepreneurial spirit to them. For this reason from 2006, PBWHA organizes national fair week in Tirana, under the brand name “Spirit of woman entrepreneurship”. This year (2013) was organised fair, trainings, workshops, b2b, media programs and promotions with the best products of our producers’ members.

There are no specific initiatives to facilitate the access on public procurement. There are no initiatives to link women-owned SMEs to the supply chains of large businesses and export-oriented sectors – if there any it’s no recognised officially.

3.9 Key barriers of the women-led firms

Albania has put in place an advanced system of company registration, including a one stop shop, the use of a single registration number and the introduction of on-line registration. It has also made progress in entrepreneurial learning and enterprise skills as well as implementing regulatory reform, with the establishment of a one-stop system for issuing licenses and permits. However, the availability of SME support services remains limited as AlbInvest was dismantled and replaced by the Albanian Investment Development Agency AIDA, which is in the process of re-organizing its SME support activities. In addition there is not involvement at the early stage in the policy-making process. The consultations with interested parties were formally presented during the public debate of National Strategy for Development and Innovation from METE.41.

The government of Albania is not yet conducting a campaign to promote the principle of giving entrepreneurs a second chance and some economies withhold loans, support and access to public procurement from entrepreneurs who underwent non-fraudulent bankruptcy until they have cleared their debts. According to the EU commission on 2012 is reported: “Albanian government should launch specific information campaigns to promote the second chance principle”42.

More, the Business Advocacy Working Group BAC has shown little effectiveness, mostly

41 OESC METE: SME Policy Index 2012, presented in Albania METE Feb 2013. Albania should involve SMEs from an early stage in the policymaking process. Consultations should be systematic to ensure that the voice of the business community is reflected in the government programs

42 See note 17)
due to the lack of preparation on the part of the private sector to engage in a productive dialogue. BAC is the first such attempt by the private sector in Albania to better organize itself and speak with one voice on specific issues.

One specific sector of the Albanian economy mostly lead by women is the handcraft market. Handicraft in Albania has long-standing traditions with a range of artistic techniques originating from early times and handed down through families. Most handicrafts consist of articles adorned with national motifs and the traditions of folk creativity. Major issue is that there is no official recognition of their legal status as self-employed, or there are included under the name sector creative enterprises. By number the handcraft registered are 281.

There are different funds approved by the Government, in the field of creation of better incentives to promote the market as Fund for Innovation, for SMEs, for Handcrafts. On other side seems to have a low access to financial system by the specific target of women entrepreneurs. Secondly METE the women entrepreneurs in Albania has low capacity to present a business plan for grant.

Tax administration still remains weak on the way how it communicates with the private sector and there is still the need to find faster and appropriate way to inform private sector systematically about changes to tax rules.

When it comes to supporting women’s entrepreneurship thorough education, it has been shown the need for the Ministry of Education to include these approaches in schools curricula. The higher education community needs to pay more attention to entrepreneurial learning across all faculties, not just business schools, and to seek systematic links with businesses.

METE aiming to promote credible role models, has undertaken measures to promote successful businesses ran by women, regard less of their area of activity. But there is still no special focus on women with disabilities as entrepreneurs. This led to the idea that women entrepreneurs’ associations can be supported by various donors in order to promote this target group.

Evidence of video documentaries or success stories featuring women entrepreneurs actually can be found at Professional Women’s Business Asso-
ciation, which has undertaken several activities in this field promotion. Another evidence of efforts to profile women’s enterprises are some of the interviews on TV shows for programs to support female entrepreneurship which have been undertaken with the support of UN Women.

In addition the media’s role in promoting women’s entrepreneurship remains very important. The media has not the goal in itself efforts of women in business, because the media are only profitable order and media promotion performs only when supported financially by any program/donor.47

One special recognition program applied on national level was the promotion of women entrepreneurs on 2012 by the European Commission during the SME week. The European SME Week aims to provide information on what the EU and national, regional and local authorities are offering as support to micro, small and medium-sized businesses; promote entrepreneurship so that more people, and in particular younger ones, seriously consider becoming an entrepreneur as a career option and give recognition to entrepreneurs for their contribution to Europe’s welfare, jobs, innovation and competitiveness.48

In addition METE has in focus the promotion of women entrepreneurs in cooperation with AIDA, but more efforts has to be done to further promote the woman in business.

3.10 Research on women entrepreneurs and their enterprises

Investing in research is a strategic way to generate information on how best to reach and support businesswomen. The non official statistical data to determine the size and characteristics of the women’s enterprise sector diverge from the reality the capacity of the institutions and the ability of government to make informed policy measures. The National Employment Service has statistical data related to the labour force unemployed, status and specific groups, including male and female data. But no specific research for women entrepreneurs and their market development. Available data on enterprises, detailing attributes such as distribution by sector, employment size, sex, location, is limited. Overall, there is an absence of systematic mechanisms for researching the impact of small and medium enterprise policy and programme measures on the development of women entrepreneurs, including their relative take up of business support services and incentives.

Is evident that on the characteristics of the small and medium enterprise sector, needs to be complemented by studies and surveys on barriers to women’s enterprise development. Sachikonye (2008:6) argues that more information is needed on the needs and capacities of businesswomen, while SHGPAZ (2012:10) calls for more information on women’s access to financial services.

There are a number of major gaps in the state of research on women’s entrepreneurship in Albania:

- At the national level, there is limited national data on the number, and size of female owned enterprises and women’s participation in the small and medium enterprise sector.
- Coordination of non-governmental driven research efforts is very poor, and this could compromise efforts directed at addressing these issues. Because of limited dissemination, most of these studies are being used only for internal use, instead of informing much broader national women’s enterprise development programs and policies.
- There is a general lack of impact studies to determine the extent to which development programs have contributed to improvement of women’s enterprise development opportunities.

According to PBWHA the existing statistical data and empirical research on women entrepreneurs and women leading SMEs are unregistered and not available on institutions. Very rarely some University professors’ active partners with PBWHA create the possibility of public and open advocacy meeting with groups of interest and students of Economic faculty. This should
be a priority and a missed opportunity for improvement proactive legislative and regulatory support for the female business.

In 2012 by the initiative of PBWHA were made 5 meetings in five state universities and three private in 5 districts of the country, with the participation of 50 businessmen and an auditorium with female dominance (70%), but also that a number of male the total of 300 students (economic faculty). The result was shocking, because they had never heard lectures, reading material or information about the women in business. They had very low info about the existence of Chambers of Commerce, business associations, even female association. This information gap slows curbs and prevents them to be employed, to qualify, to receive information in the dominant time in any economy.

On the other hand official studies for SMEs still too few in numbers, but also those that are published have incomplete information, the incomplete data or findings, especially for women entrepreneurs. Albanian State has not growth-oriented women entrepreneurs. State University of Tirana and with the initiative of some students abroad have organized sporadically meetings with specific topics and empirical studies led by professors with women-oriented entrepreneurial culture. However, although PBWHA has helped in this regard does not possess a copy of the summary interventions done by the universities. This is because academia does not yet undertake a scientific research in the field of female entrepreneurship.

The data of INSTAT illustrate a gender index rapport but no specific or more detailed data related to growth rates of women-owned SMEs compared to male-owned SMEs. There it’s a need to improve or sensibilise the authorities to intervene creating the data system to analyse the above relationship.
4. Conclusions

This section presents a brief summary of the findings of each of the ten enabling environment elements assessed.

• Policies should be designed as to overcome gender barriers and encourage women from traditional roles and activities into entrepreneurship and growth of existing enterprises.

• It’s necessary to create a national network of Women Entrepreneurs, in collaboration with respective ministries.

• Improved education opportunities for women is a key precondition to ensuring their better employability as well as to provide them with adequate knowledge and capacity to start up and expand their own businesses.

• Given women’s role as primary care givers within the household, social support is necessary as to share the burden and allow women to get more involved in entrepreneurship activities.

• As a way of increasing entrepreneurship opportunities for women, investment and financing schemes should be designed to provide them with incentives to start new businesses and to expand existing ones. A special fund supporting women-led businesses should be set up within AIDA by METE.

• AIDA, METE and PBWHA ought to create a microfinance network; having a referent system which can be considered as a partnership model.

• Training in business planning and business initiatives should be included in self-employment initiatives in vocational training centers.

• Initiatives to include small businesses or self employment activities into social business schemes

• In general, lack of direct property ownership hampers women’s access to financing to start up or expand businesses.

• Continued and improved rural development efforts are needed to decrease unpaid family farm work for women and allow them business ownership and operation.

• It is necessary to integrate women entrepreneurship in all key development strategies at the national level because if women entrepreneurship relies solely on the gender strategies, this will remain a marginal issue.

• The higher education community needs to pay more attention to entrepreneurial learning across all faculties, not just business schools, and seek systematic links with businesses. Its needs to improve support for women entrepreneurship and to ensure that women can contribute to the wider economy, by providing dedicated programmes of support, training and access to finance, supported by stronger advocacy groups which should be connected with EU-wide women’s network.
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Annexes

TORs for the Assessment of the Environment for Women’s Entrepreneurship in Albania

The ILO and PBWHA have been partner organisations previously and have worked successfully on a variety of projects through that time. In terms of WE work in Albania, PBWHA, as implementing project partner, has taken a leading role in project implementation, supported by ACTEMP Senior Specialist on Employers’ Activities (SSEA) from ILO DWT/CO Budapest. The work would focus on following:

1. Translating the ILO/AfDB WED questioner to Albanian language;
2. Pre-field assessment work in which country’s economic situation, statistical information regarding WED and relevant reports and research documents from international organisations would be analysed in order to prepare solid background information for a field work. Key informants and schedule of interviews will be prepared;
3. Field work that will involve face to face consultations with national counterparts based on AfDB/ILO Integrated Framework Assessment guide. Field work will assess ten policy areas relevant to Women’s Entrepreneurship;
4. Analysis and synthesis of findings will be conducted in line with the above guide;
5. Report will be prepared and written in accordance with proposed AfDB/ILO Integrated Framework Assessment guide;
6. Validation of WED report with two women entrepreneurs focus groups;
7. Translation of WED report in English;
8. WED report in English and Albanian language (in a form of attractive publication) on Enabling Environment for Women’s Entrepreneurship in Albania will be developed, designed and printed;

It is envisaged that above work will not only help with promotion of enabling environment for women’s entrepreneurship but also strengthen PBWHA role as strong “policy actor” capable of providing to policy makers evidence based arguments that can contribute to the policy making process.
### Annex 1 MSME Indicators

**Size by the number of employees**

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<tr>
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<td>Total</td>
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<td>24.8</td>
<td>25.1</td>
<td>26.5</td>
<td>26.9</td>
</tr>
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<td>01-04</td>
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<td>25.9</td>
<td>26.3</td>
<td>27.8</td>
<td>28.4</td>
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<tr>
<td>05-09</td>
<td>13.8</td>
<td>12.6</td>
<td>15.0</td>
<td>13.9</td>
<td>14.3</td>
</tr>
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<td>10-49</td>
<td>13.3</td>
<td>13.3</td>
<td>14.2</td>
<td>14.3</td>
<td>14.4</td>
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<td>50+</td>
<td>12.8</td>
<td>13.8</td>
<td>13.9</td>
<td>15.0</td>
<td>14.7</td>
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<tr>
<td>Active enterprises per 10,000 inhabitants</td>
<td>274</td>
<td>326</td>
<td>331</td>
<td>362</td>
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<td>New enterprises</td>
<td>14010</td>
<td>19884</td>
<td>13081</td>
<td>16469</td>
<td>12905</td>
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<tr>
<td>New enterprises per 10,000 inhabitants</td>
<td>48</td>
<td>69</td>
<td>46</td>
<td>58</td>
<td>46</td>
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</table>

*INSTAT*

### Annex 2 - Matrix for mapping of organizations supporting the growth of women entrepreneurs

<table>
<thead>
<tr>
<th>Policy/programme domain</th>
<th>Organizations</th>
<th>Start-up</th>
<th>Formalizing</th>
<th>Growth</th>
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<tbody>
<tr>
<td>(1)11 Policy leadership and cooperation</td>
<td>METE</td>
<td></td>
<td>NSDI 2007-2013</td>
<td></td>
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<tr>
<td>Gender mainstreaming</td>
<td>MLSAEO</td>
<td>2007</td>
<td></td>
<td></td>
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<tr>
<td>Gender equity initiatives</td>
<td>MLSAEO, DPOF</td>
<td>2007</td>
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<tr>
<td>Ratification and implementation of ILO’s Equality Conventions</td>
<td>C81, C122, C129, C144, C088,</td>
<td>-</td>
<td>In force</td>
<td></td>
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<tr>
<td>Property rights and MSME regulatory barriers</td>
<td>METE</td>
<td>2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business licensing and registration processes</td>
<td>NCL</td>
<td>2011</td>
<td>In force</td>
<td></td>
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<tr>
<td>Ratification and application of ILO’s Health and Safety Conventions</td>
<td>C155</td>
<td></td>
<td>In force</td>
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<td>(3) Promoting idea of women entrepreneurs</td>
<td>METE, PBWHA</td>
<td>2010</td>
<td></td>
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<tr>
<td>(4) Enterprise education and technical skills training</td>
<td>NES, AIDA</td>
<td>2007</td>
<td>VET Strategy</td>
<td></td>
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<tr>
<td>(5) Credit and financial services</td>
<td>METE, AIDA</td>
<td>2009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(6) BDS and business information</td>
<td>METE, AIDA, PBWHA</td>
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<tr>
<td>(7) WEAs</td>
<td>PBWHA</td>
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<tr>
<td>Other networks for women entrepreneurs</td>
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<td></td>
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<td>(8) Provision of Premises</td>
<td>METE</td>
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<td>2009</td>
<td></td>
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<td>(9) Access to markets</td>
<td>METE</td>
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<td></td>
<td></td>
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<td>(10) Research re women in MSMEs</td>
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<td>Research on women entrepreneurs</td>
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<td>x</td>
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