

We have hope



Standards build trust

ALBANIAN NATIONAL, PROFESSIONAL, BUSINESSWOMEN AND CRAFTS' ASSOCIATION

We have hope. "Standards Build Trust"

By Tefta Demeti

On November 26, 2019, Albania was hit by a 6.4 magnitude Richter earthquake. A devastating earthquake that killed 51 people and injured many. Many homes were destroyed and many left homeless.

SHGPAZ in Tirana and other cities solidarize and offered help with both food/clothing and funding. But SHGPAZ is also helping through the implementation of an EU-funded project through the CFCU at the Ministry of Finance and Economy "On learning about entrepreneurship for young people and women".



In this second phase, roundtables and seminars are being organized with women entrepreneurs under the motto "Standards build trust", where the challenges of business and public institutions in the EU integration process are discussed. Of course, if these standards were best applied even in the field of

construction, the consequences of the earthquake would not be so severe. SHGPAZ is confident that we can all work

together to rebuild destroyed buildings by rigorously enforcing standards.

SHGPAZ has hope.

Informative Bulletin

November 2019

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Lending to SME in Albania - development in 2019

By Erjona Rebi*, PhD

During 2019, loans to enterprises has improved continuously the annual growth rates, peaking at 8.2% up to September 2019. During 2019 Q3, this portfolio grew by ALL 8.7 billion, the highest growth in the last three years. The expansion of loans to enterprises reflected a steady increase of demand for financing and a more positive approach of banks toward the increased demand from enterprises. Meanwhile, overall credit standards are improved and financial conditions are generally easier¹.

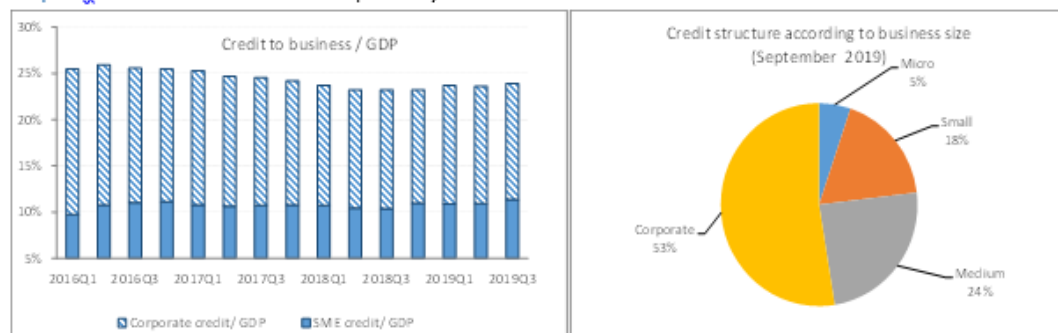
The improvement in loans to enterprises reflected the growth of the portfolio of *small and medium-sized enterprises (SMEs)*, on average by 15.5% in 2019 Q3. In absolute terms, this portfolio increased by ALL 9 billion, two times more than the previous quarter. Recovery of demand, coupled with continues easing of credit standards for this segment, supported the expansion of the loan portfolio and the pickup of its share to loans to enterprises, at 47.5%, or 1.3 pp more than the previous quarter. As a ratio to GDP, loans to SMEs increased at 11.3%, or 0.4 pp higher than at the end of 2018. Within the SME segment, the medium-sized enterprises showed the best performance.

From a longer-term perspective, banks appear to apply tighter standards to corporates compared to SMEs, the credit standards for

the latter have generally been on the easing side since 2015. The preference of banks for SMEs is

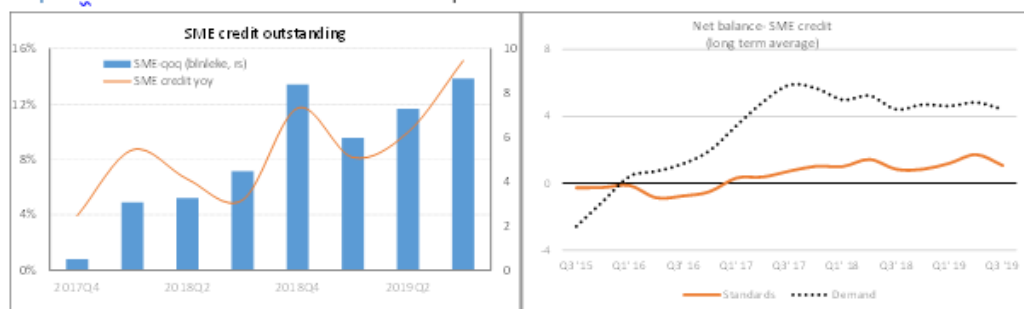
nomy by the banking sector, but also create premises for the growth of these enterprises on sounder basis.

Graphic 1. Structure of loans to enterprises by size



Source: Bank of Albania.

Graphic 2. Performance of loans to SMEs and corporations*



Source: Bank of Albania; * This chart on the right shows the 5 year average of net balances according to the Bank Lending Survey.

related not only to the need for a better balancing of the enterprises portfolio toward SMEs, but also to the increase of this segment's formalization in recent years, the smaller use of financial leverage, as well as its support with projects from international institutions. This segment of enterprises, as mentioned in many documents of international institutions (World Bank, OECD, etc.²), is underfunded and its access to finance is limited.

Increase of funding for this segment would not only enable a more effective support of the eco-

* Based on the Bank of Albania publication: "Trends in Lending"- November 2019

¹ Information on rejected loans indicates that banks have decreased the number of rejected loans, especially to enterprises. For more on lending standards and loan demand see Lending Activity Survey.

² "SME Policy Index for the Western Balkans and Turkey" - OECD September 2019.

Flutra Xhabija a model for new generation

Nga Tefta Demeti

Flutura has been flying for 70 years, but especially in the last 30 years, contributing to the strengthening of civil society and the Albanian National, Professional, Businesswomen And Crafts' Association (SHGPAZ) as well as flying across Albania and the world.

She is one of the participants of the

First Women's Conference in China in 1995 and since then she never got tired of presenting SHGPAZ at many national and international events and most recently at the Geneva Conference "Women Alb World" (WAW),

which brought together prominent Albanian women from around the world.

On her 70th birthday she was surrounded by over 50 women entrepreneurs from many cities in Albania because Flutura could not understand the celebration of this jubilee in a different way.



Proposals for changes to Fiscal Package 2020

By Violeta Shqalsi

Changes to the fiscal package 2020 are under discussion in parliamentary committees. During these meetings, Minister Denaj stated that: *"This fiscal package is not a typical package, which would have changed the calculation of revenues. We believe that administrative changes will create not only a good basis for determining the platform for the best application of the rules for the new fiscal law that is expected to come up for discussion in both the Committee on Economy and Finance and other committees, but above all to systematize some elements of good governance found this year as a pressing need in the process of fighting informality."*

Changes to some of the 2020 fiscal package laws consist of the following:

1. Draft law "On some additions and amendments to the law no. 8438, dated 28.12.1998, "On Income Tax", as amended ", aims at the tax treatment of employment income taxation in the same way for all individuals who have more than one salary income source. These individuals will be required to submit an individual annual income statement even if the annual income is less than ALL 2 million.
2. Incentive of the automotive industry sector by setting a 5% profit tax rate from the current 15%.
3. Promotion of sport in order to increase the positive impact on society for legal entities that

realize a taxable annual profit of over 100 million ALL. Sponsored amounts in the field of sports, known as deductible expenses for the purpose of calculating the income tax, are deductible as much as triple the amount sponsored. Also, recognized sponsorship costs for the sport increase to 5% from the current 3%.

4. Carrying the loss for a 5-year period for taxpayers investing in business projects worth over ALL 1 billion. Let me remind you that this loss carryover is currently for a 3 year period. We consider that for investments over ALL 1 billion, the need to carry forward the loss for a 5-year term is not only a recognized standard, but also a need for many businesses in Albania.

5. Some other changes consist in harmonization of some legal provisions with the provisions of the draft law "On invoice and circulation monitoring system". In this regard, harmonization and unification of administrative violations related to the issue of billing are foreseen, aiming at the escalation of penalties according to tax liability.

Specifically, amendments to the law no. 8438, "On Income Tax", as amended ", in Law 9920, dated 19.5.2008, "On

Tax Procedures in the Republic of Albania".

6. Changes in fines to businesses according to the size of the business and the frequency of the violation of the law.

For this reason, taxpayers registered with the tax liability of simplified tax on small business, who are not registered for VAT, and other taxpayers, are fined 50 thousand ALL.

Taxpayers registered with the tax liability of simplified income tax for small business and for VAT are fined 100 thousand ALL.

Taxpayers registered with tax liability of profit tax and VAT are fined 150 thousand ALL.

So we have an escalation, for small business without VAT, for small business with VAT and for big business, respectively from 50, 100 and 150 thousand ALL. This is necessary in order to be more correct and to apply findings in violation of the law.



GJOBAT PËR MOSLËSHIMIN E FATURËS	
Biznesi i vogël pa tvsh	50,000 lekë
Biznesi me përgj. tatimore të thjeshtuar	100,000 lekë
Biznesi i madh	150,000 lekë

Round Table in Fier “Standards Build Trust”

By Tefta Demeti

On November 8, 2019, at Hotel "Fieri" in Fier was held the Round Table with Women Entrepreneurs "Standards build Trust" as well as "Challenges of business and public institutions in the EU integration process".

The meeting was organized by the Albanian National, Professional, Businesswomen And Crafts' Association (SHGPAZ) in the frame-work of the implementation of the project "Promoting entrepreneurship among young people and women entrepreneurs in Albania", funded by the EU through CFCU Tirana.

The meeting was attended by representatives of the local IPARD institutions, women entrepreneurs in Fier, as well as the Deputy of Fier Mrs. Antoneta Dhima, who specifically follows and supports women entrepreneurs in the area. In her welcoming speech, she highlighted some of the mitiga-

ting measures the government has taken for businesses to reduce the fiscal burden, but the entrepreneurs that were present said that not only these measures have not been felt in their businesses, but also that this year they paid in total more taxes than a year ago.



The topic opened up debates and there was great interest in recognizing and enforcing standards from businesses. The representative of the General Directorate of Standards in Tirana, Mrs. Kostanca Dedja presented the national standards and EU standards, as well as the importance of their recogniti-

on and implementation in the process of product or service production. National and EU standards for all types of products and technologies can be found on the website of the General Directorate of Standards: www.dps.gov.al

The representative of the local IPARD office in Fier presented the implementation of the projects financed by IPARD funds, how many businesses have benefited from these grants and the second call for IPARD-II funds which will remain opened from October 30 until December 16, 2019. Mr. Piro Rapushi presented the criteria and procedures that must be followed to become beneficiary of the funds.

For the second phase of IPARD-II projects, grants are awarded for three measures:

- Measure 1: Investment in agricultural farms.
- Measure 3: Investment in Agro-processing.
- Measure 7: Diversification of business in rural areas, viticulture and agro-processing.

Second call for IPARD II funds

Call for applications from IPARD Program funds is open from October 30 - December 16, 2019



For more info: www.azhbr.gov.al
www.ipard.gov.al;
<http://www.buigesia.gov.al>

Contacts:
 Tel: 0800 83 83
 E-mail: info@azhbr.gov.al

The Agency for Agriculture and Rural Development and the Managing Authority at the Ministry of Agriculture and Rural Development announce the opening of the second call for applications under the IPARD II Program, from the Instrument for Pre-Accession Assistance (IPA) for Rural Development (IPARD).) in order to develop the Agro-Food Sector. The call is open to all persons (natural and legal) whose work and activity takes place within the territory of the Republic of Albania in the fields of agricultural or agro-processing and rural production.

Global Competitiveness Index (GCI)

By Kujtime Stefani

The Global Competitiveness Index (GCI) 2019 assesses the competitiveness of 141 economies around the world. 12 distinct areas, or pillars, are grouped into three **sub-indexes**. Main characteristics of Albanian Competitiveness and pillar's ranking are:

- Albania is included in the group of the countries which are in the **2nd phase** of development of competitiveness so called "efficiency driven"
- The Global Competitiveness Report 2019 ranks Albania **81th** out of 141 countries/economies
- The overall ranking of Albania in 2019 is deteriorated by 5 places compared to the year 2018, in the 76 position.

Albanian's areas of strength:

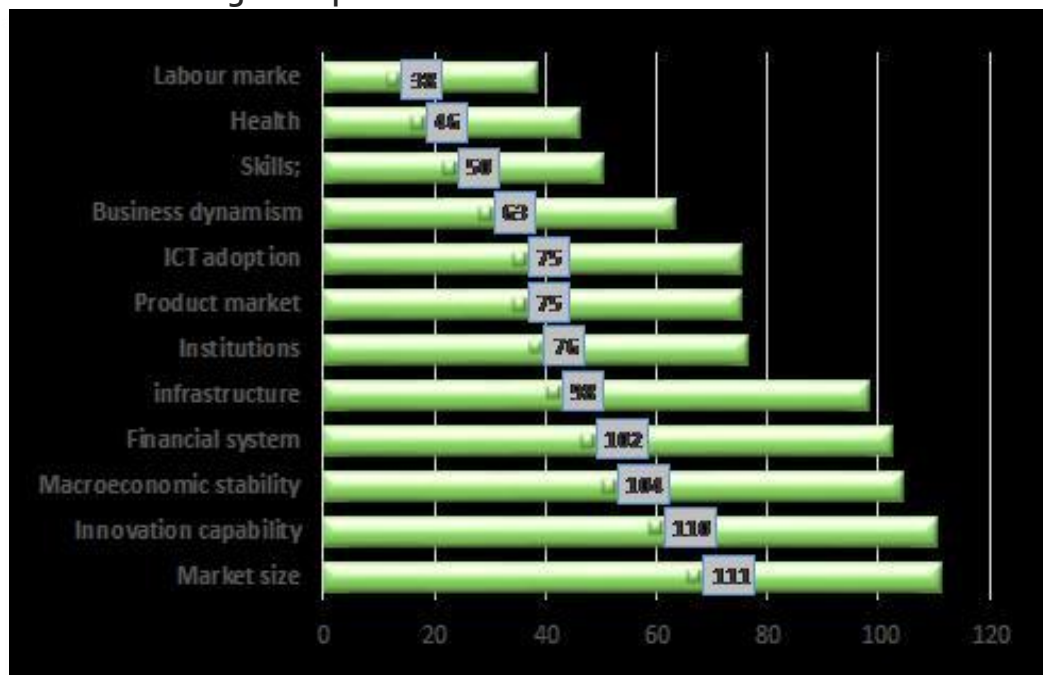
Labor market 38, health 46, skills 50, and business dynamism 63 and almost at the same level, ICT adoption, product market 75, and institutions 76.

Albanian's areas of weakness:

Market size 111, innovation capability 110, macroeconomic stability 104 and financial system 102.

The components in the first pillar "Institutions" during 2019 have worsened all except one element in the Security. In the second pillar, "Infrastructure", only 2 elements have been improved, "Road network" and "Water supply" and all the other elements

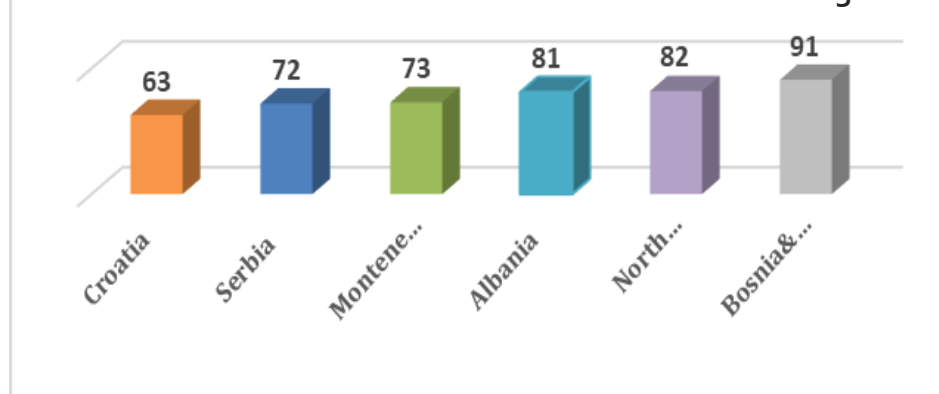
Albanian ranking on 12 pillars



have been worsened. More improved indicators are in the components of "Skills", "Labor Market", "Financial System" and "Business Dynamics". Mentioning among them SME financing, Private sector lending, and Bank empowerment etc.

Compared to the region in 2019, Albania (81) lags behind Croatia (63), Serbia (72), and Montenegro (73) and is in front of North Macedonia (82) and Bosnia Herzegovina (91).

Albania and Western Balkan Countries overall ranking



Albania and the Region

Regional Forum on Gender Equality 2019

The network "Equality in Decision-Making", with the support of National Endowment for Democracy, in the framework of its work to promote gender equality in Albania organized the "Regional Gender Equality Forum 2019 - #barazIM" on November 15th, 2019 at Rogner Hotel, Tirana.

The 2019 Gender Equality Forum aims to be a source of inspiration and support that connects and empowers women and men together to bridge the gender gap in Albania, paying particular attention to equal opportunities, participation and representation of women and men in decision-making.

It aims to provide a national platform to discuss our collective responsibilities and explore the most effective ways towards gender equality.

This forum will bring together the voices and experiences of a diverse range of experts from the business, media, politics and society sectors, internationally and locally, with the aim of inspiring concrete action in several key pillars such as: Leadership; Labor Market

and Entrepreneurship; Education; Media; Eco-Friendly Empowerment, Gender Based Violence; Information Technology, Sport.

Business Forum Albania - Montenegro

On November 25, 2019 the Tirana Chamber of Commerce and Industry organized at Tirana International Hotel, the Business Forum Albania - Montenegro.

The forum presented trade exchanges between the two countries and emphasized that although there are no infrastructure barriers, etc., trade exchanges between the two countries remain at low levels.

Then b2b meetings took place.



National Report on Youth in Albania

On November 18, 2019 CRCA / ECPAT Albania and the National Network for Youth in Albania (ANYN), presented the National Report on the situation of youth rights in Albania, highlighting the most pressing problems and issues among young people seeking monitoring and supervision: **Unemployment, Education, Migration, Crime, Gender Violence, Religious Extremism, Politics** etc.



SHGPAZ in Sweden

On November 16, 2019, a group of women entrepreneurs, members of SHGPAZ, organized a visit to Sweden, where in addition to meetings with some Swedish women entrepreneurs, they also organized a meeting with Mr. Roger Hellqvist, a board member of the Chamber of Commerce Sweden Southeast Europe, where they discussed the establishment of cooperation in the future.



FACTS

25.7%

The number of active businesses led /owned by women for 2018 in Albania was 25.7%, with a decrease of 4 points percentage compared to 2017 where they accounted for 29,7% (INSTAT, June 2019)



3.2%

Credit for 2018 resulted in a moderate increase of only 2% compared to the previous year and accounts for 35.2% of GDP, with a decrease of 2.2 percentage points compared to 2016. (Bank of Albania)



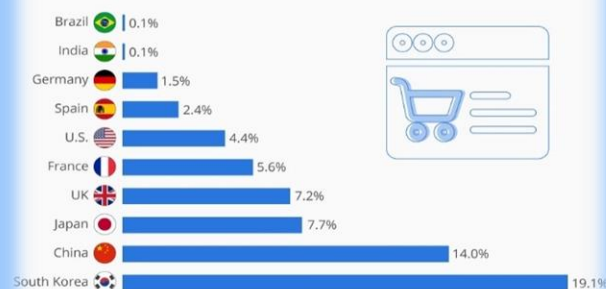
E-commerce

Amazon and other online retailers, with their online grocery shopping service still have a long way to go if they want to be a significant part of the market still dominated by traditional grocery stores. Online grocery shopping accounts for only 4.4% of grocery shopping revenue in the United States. While in South Korea, nearly a fifth of grocery shopping is done online. Next comes China with 14%, marking

an increase of 40% compared with 2016. Developing countries, such as India and Brazil with a figure of 0.1%, have yet to make significant progress in terms of food purchases in the Internet.

Where the Most Groceries Are Bought Online

Online FMCG sales as a share of total FMCG* sales in selected countries (2018)



Where air pollution cuts life expectancy the most

Extremely high levels of air pollution are an increasingly important health-related problem that can cause serious aggravation of heart and lung disease, and premature mortality in people with existing diseases and the elderly.

According to a worldwide

study by Statista, the top 10 countries with the highest levels of air pollution and years of life expectancy lost due to this exposure are listed. Bangladesh ranks first with 1.87 years of life expectancy lost as a result of exposure to polluted air.

Where Air Pollution Cuts Life Expectancy the Most

Estimated years of life expectancy lost due current air pollution levels (2019)*



* Life expectancy loss attributable to existing levels of PM2.5 exposure
Source: Health Effects Institute: State of Global Air 2019

statista

At the second place comes Egypt with 1.85 years of life expectancy lost and next Nigeria with 1.80. Instead in the ninth and tenth places are Sudan and the United Arab Emirates with 1.51 years of life expectancy lost.

Woman and Health

Antibiotics resistance

Gathered materials by **Arlinda Demeti**

Antibiotics are not always the solution. Many diseases are caused by bacteria or viruses. Antibiotics are important medications used to treat bacterial infections in both humans and animals but **not viral infections**. Antibiotics are losing their effectiveness, which means more deaths and more complications for people, as we are not using them properly. If the bacteria become resistant to antibiotics, many simple diseases will again be dangerous to our health.

Viruses cause common diseases that **cannot** be treated with antibiotics such as: flu, cough, runny nose, sore throat, bronchitis, sinus infections, some ear infections.

Taking antibiotics in the case of viral diseases:

-WILL NOT HEAL you from your illness.

-WILL NOT HELP you feel better.

-WILL NOT PROTECT others from your illness.

Simple facts about antibiotics use:

1. Antibiotics are life-saving medications

Proper use of antibiotics is the best way to maintain their effectiveness for bacterial diseases

2. Antibiotics treat only bacterial infections.

If you have a viral infection such as



a cold you should talk to your doctor about how to relieve the symptoms of the disease. Tips may include warm juices, rest etc.

3. Some ear infections do not require the use of antibiotics.

Your doctor will determine what type of ear infection you have and whether antibiotic use is necessary. The doctor may wait a few days before giving the antibiotic as you may feel better without starting an antibiotic.



4. Most cases of sore throat do not require antibiotic treatment.

Only 1 in 5 children who go to a doctor for sore throat have streptococcal throat infection, which should be treated with antibiotics. The doctor can only confirm this infection by performing a throat test.

5. Green mucus is not a sign that we should start an antibiotic.

Since the body's immune system fights the infection, the mucus can change colour. This is a normal thing and you do not need to take antibiotics.

6. There are potential risks when taking the antibiotics prescribed by your doctor.

The use of antibiotics can cause complications, ranging from gastric irritation to serious allergic reactions. Your doctor must assess the benefits and risks before prescribing an antibiotic.

Workshop in Fier with women entrepreneurs

On November 9th, 2019 was organized at the Hotel "Fieri" in Fier a workshop with women entrepreneurs on capacity building, networking, information seeking and advocacy. Further, there were presented the EU/ national programs that support with grants women entrepreneurs. Information on these programs was missing.



Women Alb World

... Albanian women from all Albanian regions as well as women of success from the diaspora. The representative from Albania was



the president of SHGPAZ Mrs. Flutura Xhabija who shared her many years of experience in empowering women entrepreneurs. Flutura said: "It was a great pleasure to visit the United Nations Headquarters and take part in the work of the Geneva Parliament, but above all the new friendships that were created. Such gatherings thrive on the nation and on the horizon shines hope for a more dignified life for Albanian women wherever they are! "

Inaguration of "Lady Art"

On November 23rd, 2019, was inaugurated the shop "Lady Art" with artistic handicrafts mainly crochet. It is located in one of the premises of the ETC center in Tirana. This is a project supported by the Municipality of Tirana for the tradition of handmade crafts and the promotion of new initiatives of women in business. Here you understand among how many sacrifices and difficulties Albanian women work. Bravo Seida for the courage to start a business! Many successes and let her laces/ crocheting become a brand: Made in Albania!



Note: The opinions presented in the bulletin are those of the experts themselves and do not represent the opinion of EU

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