27TH OSCE ECONOMIC AND ENVIRONMENTAL FORUM
CONCLUDING MEETING
Session 5
Ms. Belinda Ikonomi, Deputy Minister of Finance and Economy, Albania

GOOD AND TRANSPARENT GOVERNANCE IN THE DEVELOPMENT OF DIGITAL ECONOMIES AND SOCIETIES

VISION

Albanian economy based on sustainable job-creation and increased productivity.

Society based in knowledge and information, through the consolidation of digital infrastructure; improvement of the quality of online public services and increase of governance transparency

INNOVATIVE AND CITIZEN-CENTRED PUBLIC SERVICES

Since 2014, GoA has pursued a reform reinventing the way public administration delivers services to its citizen.

Re-engineering of the processes of service delivery for citizens and businesses

Front Office–Back Office separation and service delivery integration

Digitisation of archives and registers, interoperability among ICT systems and online services

Citizen feedback and monitoring of the performance of public administration in service delivery

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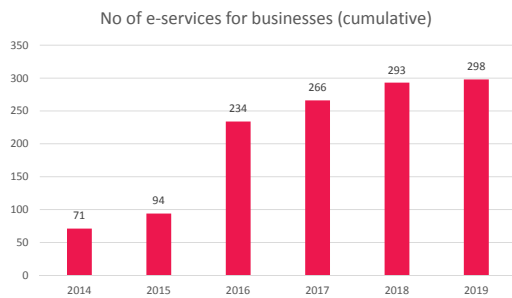# INNOVATIVE AND CITIZEN-CENTRED PUBLIC SERVICES

INTEGRATED CENTERS

- 6 integrated service delivery centers, 5 integrated centres at municipalities, that offer more than 400 services, and the Immovable Properties Registration Office (IPRO) front-office in Tirana.
- 327 standardized forms for public services and 979 Public Service Information Cards informing citizens
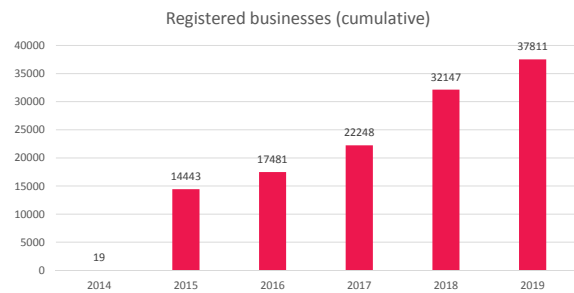
E-ALBANIA

- 49 government electronic registers and exchange of real-time data in a secure and reliable form
- 52 million transactions in 2018, or double the number of transactions in the previous year
- **1,600 services out of which almost 600 electronic services.**
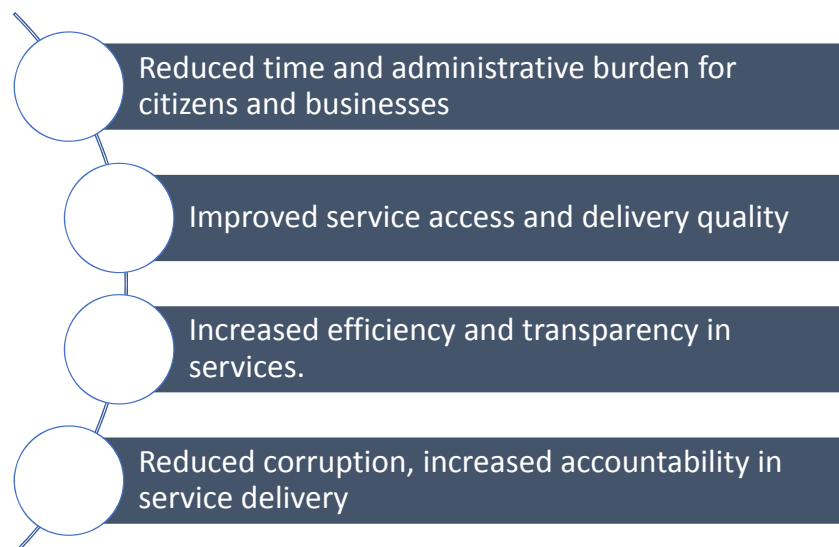
What does e-Albania provide for businesses?

- **298** e-services for businesses

No of e-services for businesses (cumulative)

Year	Value
2014	71
2015	94
2016	234
2017	266
2018	293
2019	298

- **37,811** registered businesses

Registered businesses (cumulative)

Year	Value
2014	19
2015	14443
2016	17481
2017	22248
2018	32147
2019	37811

DELIVERABLES:

Reduced time and administrative burden for citizens and businesses

Improved service access and delivery quality

Increased efficiency and transparency in services.

Reduced corruption, increased accountability in service delivery

Construction permits (e-Permits) 2016

- **One of the most advanced state systems in the country**
- Each uploaded document, as well as the construction permit bear legal value due to the electronic signature
- **230,000 papers** eliminated monthly

Paperless Customs (E-Customs)

- **100% paperless system for Import and Export Declaration (except those from red channel- physical control based on risk**
- Increase transparency and reduction of the possibility of fraud.
- Avoiding communication with the customs officer resulting in corruption reduction

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DIGITAL SKILLS- JOBS FOR THE FUTURE

"Despite the investments already carried out, utilization of ICT in the education institutions is limited. There is a need for more investments and attention for the ICT in education in order to provide a society based on knowledge..."

Digital Agenda of Albania 2015-2020

- Digitalisation is fundamentally changing the Albanian labour market.
- Vision and will of the Albanian government with regards to education, it focusses on the *"Establishment of a suitable infrastructure for modern teaching"*.
- Bridging the digital divide, the VET system has to embrace digitalisation, understand industry needs and adopt new technologies and ways of learning.
- The key question remains: **How can we prepare people for the jobs of the future, i.e. for jobs that don't exist, yet?**

4 KEY STEPS

COLLABORATE: Promote cooperation with the business sector (and adopt a conducive legal framework)

BUILD: Invest into digital infrastructure and learning equipment (buildings, grids, hard- and software)

CREATE: Develop up-to-date courses and adapt existing materials for digital delivery

TEACH: Find, train and deploy competent teachers/ trainers to deliver learning in a digital environment

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IMPROVE the institutional capacity of the research and innovation system

PREPARATION OF THE STRATEGY ON SMART SPECIALISATION (S3).

Albania registered in the Smart Specialisation Platform (S3P) in November 2017. Albania's smart specialisation process is currently being prepared with assistance from DG NEAR and the Joint Research Centre (JRC)..

In 2018, Albania formed an S3 Working Group that is currently coordinating further steps in preparing the collection of data and the entrepreneurial discovery process (EDP)

TOWARDS EXCELLENCE IN RESEARCH

Strategy on Science, Technology and Innovation 2017-2022

→ MAXIMIZING RESEARCH RESULTS
- Reforming the institutional system for research
- Increasing research funds and other sources for research
- Integration of the Albanian diaspora in research
- Increasing cooperation between the research community and business ;Monitoring quality of research

→ IMPROVED RESEARCH INFRASTRUCTURE
- Assessing and improving research infrastructure

→ FACILITATING PRACTICES FOR OPEN LABOUR MARKET for researchers and mobility of researchers
- Improvements of recruitment practices of teachers and researchers
- Revision of the legal framework for mobilities of researchers, publication of a guide

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Technology Hubs

OFICINA
ENTREPRENEURSHIP & INNOVATION LAB

TechSpace was **launched in February 2019**

visit TechSpace almost daily and spend 3-4 hours creating, working or having business meetings with potential partners.

4 collaboration agreements have been signed with ICT universities and ICT vocational high-schools
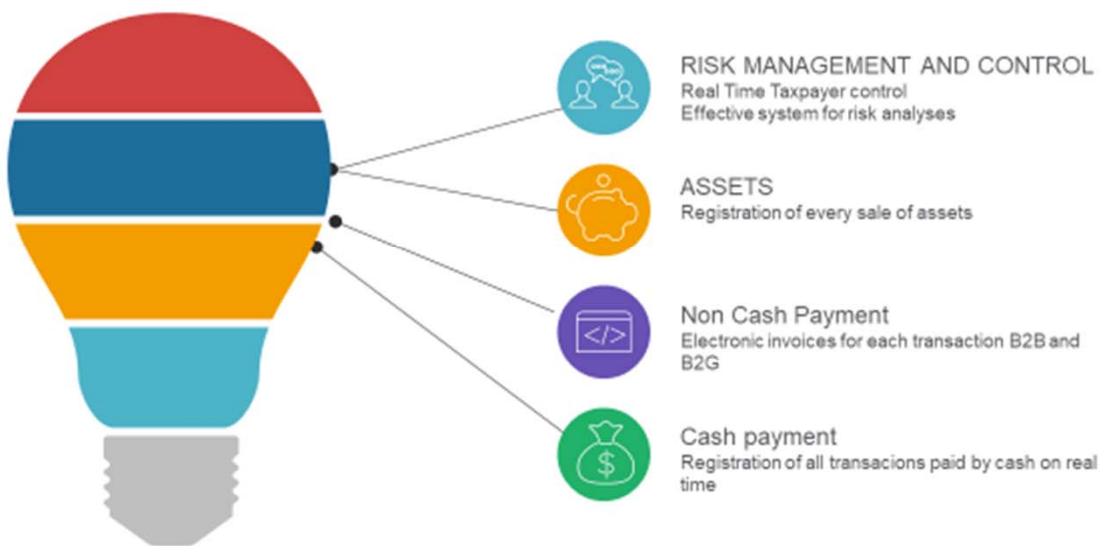
protik
ICT Resource Center

TECHNOLOGY APPROACH in fighting grey economy

The new project in Albania - using technology solutions to detect the tax crimes.

1. *Underreporting of income – **Fiscalisation project / Cash control monitoring** – mostly present in cash based transactions (B2C), implementation of the real time-online connectivity of all POS machines to ensure that each transaction is reported centrally, with capability of independent verification.*

2. *Over reporting of deductions – **e-Invoices project** – mostly present in non cash based through the central system that ensures confirmation of all transactions from seller and customer.*

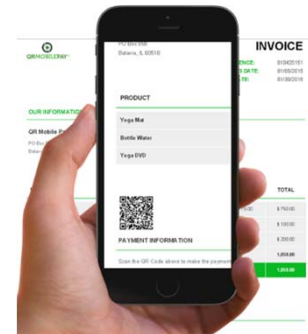## NEW FISCALISATION PROJECT- IN TAX ADMINISTRATION

RISK MANAGEMENT AND CONTROL
Real Time Taxpayer control
Effective system for risk analyses

ASSETS
Registration of every sale of assets

Non Cash Payment
Electronic invoices for each transaction B2B and B2G

Cash payment
Registration of all transacions paid by cash on real time

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| Fiscalisation | Registry of taxpayers | Registry of assets |

| Risk management and Tax Audit | | Fiscal Invoice |

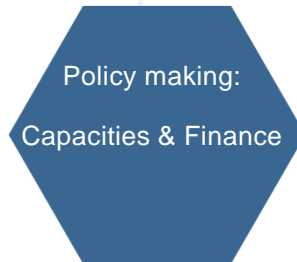# FUNDING INNOVATIVE STARTUPS AND INNOVATION SUPPORT PROVIDER

❑ **NATIONAL SCHEMES:**

✓ Competitiveness fund
✓ Innovation fund *(*machinery and technological equipment)
✓ **Creative economy fund** *(Handcraft* on creating new products)
✓ Start-up fund

Improving the innovative eco-system and boost start-ups creation in Albania

❑ **Enterprise Europe Network**
  ❑ **EU for Innovation**
❑ **Other partners programs (GIZ, UNDP etc)**

CHALLENGES	NEEDS
❑ Low funding for research and innovation	→ Increase the funds for research and innovation
❑ Elements of an innovation ecosystem are insufficient in Albania, including technology transfer offices and science and technology parks	→ Step up the support for innovation infrastructure to advance business-academia collaboration
❑ There is a pressing need for well-designed and properly funded instruments to support SMEs	→ Improve SMEs' support services by redesigning existing schemes
❑ Responsibilities for innovation, science and technology, start-up and business promotion are spread across several ministries	→ Structured dialogue between ecosystem stakeholders and government representatives
	→ Presence of an entity to lead/stir the innovation & start-up sphere, regular coordination

Policy making:

Capacities & Finance