

Employment and Social Affairs Platform
Tackling Informal Employment in Albania: Current Situation and the Way Forward
National Workshop
Date: 21 December 2018, Tirana

Hosts: ESAP, Regional Cooperation Council and Ministry of Finance and Economy (tbc)

Participants: 30-40 people (policy-makers, employer and employees organizations, the lead expert to the European platform tackling undeclared work; external experts, etc.).

Introduction

The existence of informal economy and informal employment has been identified by the European Commission and other international and local agencies (OECD, ILO etc.) as a major barrier to enabling economic prosperity in Albania. ESAP-RCC has recently produced a diagnostic report for Albania that looks at drivers of undeclared work, the institutional framework and current policy approaches. The Albanian government has been taking courageous measures to reduce the informal economy and particularly the informal employment. On one hand, fundamental reforms to improving the business environment were initiated. On the other hand, the General Taxation Directorate started the implementation of an ambitious action plan. The diagnostic report reveals that informal economy in Albania is being tackled to some extent by fighting tax evasion and promoting tax compliance, but both informal economy and informal employment are not being addressed in a holistic manner. This is pointed out too, in the latest European Commission report for Albania (EC, 2018). Hence, fundamental efforts should be paid to building a holistic strategic approach to tackling informality. In this regard, the diagnosis report is complemented by a list of key recommendations on tackling undeclared work prepared by the ESAP-RCC experts.

Objectives

The workshop will provide policy-makers, employer and employees' organizations, economic experts, researchers and other actors with an opportunity to learn more about the results of an expert analysis of the informal economy and employment in Albania and recommendations for tackling informality from a holistic perspective. It will also encourage an open discussion among relevant actors in Albania on issues related to informal employment such as: What is the nature of informal employment in Albania? What are the barriers to formalization? What are the measures the Albanian government has undertaken to tackle informal employment and what are the results so far? What are the next steps the Albanian government, in collaboration with other key stakeholders, should undertake to tackle the informal employment into a more coordinated and holistic approach?

Inspired by the work of the European Platform Tackling Undeclared Work, this workshop is the first step towards the goal of supporting Western Balkan economies in effectively tackling undeclared work through a holistic approach, while at the same time establishing a strong base for exchange of good practices and mutual learning among peer institutions in the region.



REGIONAL COOPERATION COUNCIL (<https://www.rcc.int/>)

The Regional Cooperation Council (RCC) is an all-inclusive, regionally owned and led cooperation framework. This framework engages RCC participants from the South East Europe (SEE), members of the international community and donors on subjects which are important and of interest to the SEE, with a view to promoting and advancing the European and Euro-Atlantic integration of the region. Within the framework of the general political guidelines set by the South-East European Cooperation Process (SEECPP), the RCC works to develop and maintain a political climate of dialogue, reconciliation, tolerance and openness towards cooperation, with a view to enabling the implementation of regional programmes aimed at economic and social development to the benefit of the people in the region.

EMPLOYMENT AND SOCIAL AFFAIRS PLATFORM – ESAP (www.esap.online)

The *Employment and Social Affairs Platform* (ESAP) is a regional project financed by the European Commission and jointly implemented by RCC and ILO in Albania, Bosnia and Herzegovina, Kosovo*¹, Montenegro, Serbia and The Former Yugoslav Republic of Macedonia. The project, which began its implementation in 2016 and lasts for 3 years, aims to strengthen regional cooperation and institutional capacities of national administrations, employers' and workers' organisations, enabling them to develop and effectively implement labour market and social policy reforms in their EU enlargement process.

¹ This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

Draft Agenda

Venue: Hotel Tirana International

21 December 2018

9:00 - 9:30 *Registration*

9:30 - 9:45 *Opening Remarks*

Dajna Sorensen, Deputy Minister of Finance and Economy (tbc)

Representative of the EU Delegation in Albania (tbc)

Nand Shani, ESAP Team Leader, Regional Cooperation Council

9:45 - 11:00 *Informal Economy and Informal Employment – an analytical and policy framework and key findings from the diagnosis in Albania*

Prof. Colin Williams, Lead Expert to the European Platform Tackling Undeclared Work

Brunilda Kosta, Lecturer/Researcher, Faculty of Economics, University of Tirana, Albania

Moderator: Srdjan Kujundzic, ESAP Expert, RCC

11:00 - 11:30 *Coffee break*

11:30 - 12:30 *Existing Strategies/Action Plans/Measures for Tackling Undeclared Work in Albania*

Dajna Sorensen, Deputy Minister of Finance and Economy (tbc)

Xhavit Curri, General Taxation Directorate (tbc)

Arben Seferaj, General Director of the State Labor Inspectorate (tbc)

Moderator: Nand Shani, ESAP Team Leader, RCC

12:30 - 13:30 *Lunch*

13:30 - 15:30 *Recommendations for Tackling Undeclared Work in Albania based on the Diagnostic Reports and a Holistic Strategic Approach – a guided discussion*

Moderator: Brunilda Kosta, Researcher

Participants are invited to express their views on the undeclared work in Albania and the proposed recommendations related to:

1. Nature of informal employment in Albania and barriers to formalization
2. Organization of the fight against undeclared work in Albania: new institutional framework



3. Introduction of a holistic strategic approach to tackle informal employment more effectively
4. Current situation and the way forward: direct measures to tackle undeclared work
5. Current situation and the way forward: indirect measures to tackle undeclared work

15:30 - 15:50 *Scope for future regional cooperation in tackling undeclared work*

Nand Shani, ESAP Team Leader, RCC

15:50 - 16:00 *Closing remarks*

Representative of the Ministry of Finance and Economy of Albania (tbc)

Representative of the EU Delegation in Albania (tbc)

Representative of RCC