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*Series on Women's Entrepreneurship Development
and Gender in Enterprises — WEDGE*

Women Entrepreneurs in **Albania**

by Mimoza Bezhani



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FOREWORD

This working paper on Women Entrepreneurs in Albania, number 21 in the series of papers produced by the ILO's InFocus Programme on Boosting Employment through Small Enterprise Development, is published in collaboration with the ILO's International Training Centre, Turin, Italy. It is published simultaneously with Working Paper 20, on the theme of Jobs, Gender and Small Enterprises in Bulgaria. Both papers serve to illustrate the significant problems faced by women in general, and by women entrepreneurs in particular, in the transition economies of central and eastern Europe.

This paper highlights the situation facing women entrepreneurs in Albania, and describes the various forms of support that are available to assist women to establish and develop their own business. It also provides a useful overview of the activities of a range of national and locally based women's support organizations, some of which are affiliated to wider international networks.

The Working Paper draws on some key sources of secondary information, such as the report on Businesswomen in Albania, produced by the Women's Centre (referred to as "the Women's Centre study"), and the national study of Albanian women entrepreneurs, produced by the Association of Women in the Professions and in Business ("the Association's study"). We acknowledge these sources and hope that through this working paper such findings will receive a wider audience.

The original version of this study was produced in the framework of the project "Promozione dell'imprenditorialità femminile in Albania", implemented by the International Training Centre of the ILO, in collaboration with the Women World Banking — Italy, the Women's Centre in Tirana and the Woman and Family Committee of the Albanian Government. The project was commissioned and financed by the Municipality of Milan (Italy). Much of the content of this paper was originally published in both Albanian and Italian languages as a project report arising from the work accomplished by the ILO's Turin Centre in Albania. The English translation was carried out at the ILO's Turin Centre. However, minor amendments have been made to this version, keeping a wider international readership in mind. The lists of references and websites have been updated, particularly to take account of recent development such as the "Beijing +5" meeting held in New York in June 2000. For several years, the ILO's Turin Centre has carried out activities to support women entrepreneurs in Albania, and the original report was produced as an output of this Turin Centre's project. The working paper includes sets of conclusions and recommendations relating to the situation of women entrepreneurs, as well as for women's support organizations and NGOs.

The original report resulted from the combined efforts of a team of researchers and advisers in Albania and in Italy (including at the ILO's Turin Centre). All of these are acknowledged in the Preface by Ms. Daniela Bertino, now working as the Programme Manager for Technical Programmes in Social Dialogue at the ILO Turin Centre. This English language version of the paper has been prepared for publication by Mr. Gerry Finnegan, Senior Specialist in Women's Entrepreneurship Development (IFP/SEED), and is the result of a valuable collaboration between the ILO's Turin Centre and IFP/SEED.

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ABBREVIATIONS

AIDDA	Italian Women Managers' Association
ARZH	Regional Development Agency
AZRH	Foreign sponsor — not given
BOBSH	Albania Union of Business Organizations
CAFOD	Catholic Agency for Overseas Development
CCF	Comprehensive Cooperation Framework
CEEL	Associated with Marshall Fund — not given
CRS	Catholic Relief Service
DGSH	For the advantage of Albanian Women Association
EST VENIR	Foreign sponsor — not given
EU	European Union
FCEM	Les Femmes Chefs d'Entreprises Mondiales
FIDATA	Foreign sponsor — not given
FOJQ	Non-governmental Organizations Forum
FOJQSH	Albanian Non-governmental Organizations Forum
FPGSH	Albanian Women's Independent Forum
FSHSHC	Albanian Civil Society Organization
GTZ	German Technical Assistance
HEKS	Foreign sponsor — not given
IDA	International Development Association (World Bank)
ILO	International Labour Organization
INSTAT	Institute of Statistics
NGO	Non-governmental Organization
NOVIB	Foreign sponsor — not given
ORT	American Democracy Network Project
PHARE	European Union Programme for Central and Eastern Europe
QG	Women's Centre
SGF	Foreign sponsor — not given
SHGB	The Businesswomen's Association
SHGIPASH	Association of Intellectual, Professional and Business Women
SHGPA	The Association of Women in the Professions and in Business
SHNBG	Association for the Promotion of Women's Enterprises
SME	Small and Medium Enterprises
SMEDA	Small and Medium Enterprise Development Agency
SNV	Netherlands Development Agency
SOROS	The Soros Foundation
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services
USAID	United States Agency for International Development
USD	US dollars
USIS	United States Information Service
WWB	Women's World Banking

INTERNATIONAL LABOUR ORGANIZATION

The International Labour Organization (ILO) is a specialised United Nations agency. It is a tripartite body within which governments, employers and workers act together in the service of social justice to achieve better living and working conditions throughout the world. Its members consist of 176 Member states vigorously engaged in the promotion of fundamental human rights, the growth of employment and the promulgation of international labour standards whose application is monitored by its own unique system. In 1998, the ILO Conference issued a solemn declaration directed to the general observance of rights at work. An extensive programme of technical cooperation designed and implemented through the active involvement of the parties concerned provides countries with the assistance they need in putting the policies thus defined into effect. The ILO's collaboration with Italy is addressed to particularly significant areas, such as Cisjordania and Gaza, Bosnia, Albania and the Maghreb.

THE INTERNATIONAL TRAINING CENTRE OF THE ILO

The International Training Centre of the ILO has provided courses for more than 60,000 managers, experts and trainers from 172 countries. It has been accorded the support and hospitality of the Italian Government since its foundation in 1964. As a tool for international technical cooperation, the Turin Centre reflects the conviction that concentration on human potential is the surest way of attaining national self-sufficiency and sustainable development for men and women. The Centre deals with all the major topics of interest to the ILO in response to new training needs.

WWB — Italy

WWB (Women's World Banking) is an independent, international non-profit-making foundation that operates via affiliates throughout the world to make it easier for women wishing to start a business to gain access to capital, information, technologies and markets. Its Italian affiliate was set up in Milan in 1985 through the efforts of Maria Grazia Randi. It is particularly active in the field of training.

AIDDA

AIDDA (Italian Women Managers' Association) is a non-profit-making, non-union, non-party and non-religious association founded in Italy in 1961 as an affiliate of the international association "Les Femmes Chefs d'Entreprises Mondiales" (FCEM). Its objects are to promote the understanding participation of women in economic and social affairs and encourage their application for posts in economic and entrepreneurial organizations.

WWB/Italy (Attività Formativa per le Donne) and AIDDA/Milan are cooperating in the implementation of the "Promotion of women's entrepreneurship in Albania" project.

ACKNOWLEDGEMENTS

The International Training Centre of the ILO, in its capacity as executing agency of the "Promotion of women's entrepreneurship in Albania" project, of which this survey forms part, wishes to thank the Albanian author and translators for their excellent work; the head of the UNDP/UNOPS project "Promotion of the social and economic status of women in Albania" for her excellent coordination and supervision on the spot; the International Coordination and Cooperation Service of the Municipality of Milan for its substantial support and close attention to the issues addressed in the survey; WWB and AIDDA for their readiness to disseminate it among their members in the Milan area, and all those whose comments, suggestions, typing and technical assistance have gone into the making of this publication.

A special word of thanks is also due to Johan te Velte for having promptly and generously consented to the utilisation by the author of the survey of substantial portions of the publication entitled "Businesswomen in Albania" prepared by the Women's Centre and the SNV/Netherlands Development Organization in 1998.

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PREFACE

The social and economic progress of a democratic country is based on an active civil society in which men and women can develop their capabilities on an equal footing. Albanian women have long been a part of their country's economy and social life, and have reached high levels of education. Even so, their situation is replete with contradictions. The ITC/ILO¹ has been active in Albania for several years. Its efforts have been directed to increasing the capacity of the government and NGOs to strengthen the standing of women through better legislation ensuring equal rights, and through the provision of support for women's entrepreneurial capabilities. Women in Albania made their first timid approach to the foundation of businesses in 1990 during the transition period, at a time when a general legal framework (especially with respect to taxation, imports and exports) to which reference could be made was totally lacking. Privatisation of State-owned enterprises proceeded apace in 1993 and 1994 and fuelled the growth of the private sector. This trend, however, began to slow down in the following year, partly due to the appearance of tax regulations and partly as a consequence of the commencement of the well-known "pyramid" system, which renders speculation more profitable than capital expenditures for the purposes of production. The economic and social development potential inherent in women's entrepreneurship has led the ILO to launch the "Promotion of women's entrepreneurship in Albania" project through its Turin Training Centre. This technical assistance programme is financed by the Municipality of Milan and is being carried out in conjunction with WWB² and AIDDA³ in Milan. The first component of the project is this survey, which brings together, expands and compares the results of earlier studies and inquiries. The survey has been prepared by the Women's Centre, Tirana. It provides a detailed overview of the present position and potential development of an embryonic, but promising entrepreneurship, one to be thought of in its wider meaning, not necessarily that of the undertaking of a modern, formal and fully-fledged business, but that of a "spirit of enterprise, the willingness and decision to embark upon an independent economic activity", accept its risks and come to grips with the difficulties that are certainly not lacking in Albania with its many problems. We have left the Italian version exactly as it was drafted by the Albanian translator, since some of its forms of expression, albeit unusual and beyond the normal pale of our lexical canon, are both refreshing and efficacious. While again thanking all those who have directly or indirectly contributed to this study, we are following their example by making it available to anyone who may wish to assist in promoting the socio-economic development of Albanian women.

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Turin, 2 June 1999

¹ International Training Centre of the ILO

² Women's World Banking

³ Italian Women Managers' Association

1. INTRODUCTION

This survey is the result of an orientation and re-interpretation of the data collected in previous studies of women as entrepreneurs and of NGOs concerned with women in business and promotion of their participation in economic and social activities.

Its aims are:

1. Identification of women's enterprises, the problems and difficulties encountered and the attempts made to influence economic development and civil society.
2. Identification of the role of NGOs, primarily those operating in the business field; the types of business they are concerned with, the needs they have found, and their future objectives.
3. Recognition of the role of women's NGOs as the source of opportunities for their employment.

The survey was conducted in conjunction with the International Training Centre (ITC) of the International Labour Organization (ILO) in Turin and the Women's Centre in Tirana and with the support of other experts in Albanian business development. It was financed by the Municipality of Milan within the compass of the "Promotion of women's entrepreneurship in Albania" project implemented by the ITC/ILO in conjunction with AIDDA and WWB Italy.

2. METHODS

The information used in this survey was taken from:

2.1 Official sources: data gathered by INSTAT; the Ministry for Labour, Social Affairs and Women; the Ministry for the Economy, Trade and Foreign Relations; chambers of commerce; regional business agencies; and bilateral cooperation organizations.

2.2 Previous studies

Reference was also made to several recent studies in related fields:

- a) Businesswomen in Albania (Women's Centre, 1997-98);
- b) National study of Albanian women entrepreneurs (Association of Women in the Professions and in Business, 1997-98);
- c) Involvement of women in the business world in Albania (German Technical Assistance project in Albania, 1996);
- d) The status of NGOs working in the business field (Skender Consult, 1998).

2.3 Inquiries in the field: direct contacts with some NGOs and with specialists in the business field.

3. A BRIEF SYNOPSIS OF THE PARTICIPATION OF WOMEN IN ALBANIA'S SOCIO-ECONOMIC LIFE

Correct assessment of the involvement of Albanian women in business must naturally start from the official figures. However, the only institution in a position to provide a general evaluation of such involvement is INSTAT (Institute of Statistics), since the data provided by the Finance Ministry, the Ministry for the Economy, Trade and Foreign Relations, chambers of commerce, banks, foreign investment centres and the like are not differentiated by gender. The only government-originated body supporting women is the "Women and Family Committee". This, however, is in the process of reorganization. The only data it has to offer with regard to the involvement of women in business relate to the support given to women entrepreneurs by State agencies associated with foreign projects. The reports of foreign donors who have backed projects for the promotion of women in general and women entrepreneurs in particular constitute another source of partial data.

3.1 The Position of Women in the Albanian Economy

Many of the advances achieved by women during the Communist regime have lost their significance since its collapse in 1991. Until the end of 1989, in fact, employment rates were high for both sexes (94 per cent for men and 85 per cent for women), whereas during the initial years of the transition period these figures plunged to 50 per cent and 60 per cent respectively. Their fluctuations in the period 1995-1998 are illustrated in the following table.

Table 1: Male and Female Employment and Unemployment Figures

Year	1995		1996		1997		1998	
	*000	%	*000	%	*000	%	*000	%
Working-age population	1,820		1,850		1,861		1,882	
Potential workforce								
Total	1,309	72.0	1,268	68.5	1,301	69.9	1,338	72.1
Women	534	29.3	510	27.6	507	27.2		
Men	775	42.6	758	30.9	1,294	42.7		
Employed								
Total	1,138	62.5	1,116	60.3	1,107	59.5	1,103	58.6
Women	454	24.9	440	23.8	423	22.7	Data not	
Men	684	37.5	676	36.5	684	36.8	Processed	
Unemployed								
Total	171	9.4	158	8.5	194	10.4	235	12.4
Women	80	4.4	70	3.8	84	4.5	107	5.7
Men	91	5.0	88	4.7	110	5.9	128	6.7

Sources: INSTAT, March 1999; UNDP Human Development Report, 1998. Note: the percentages are those of the working-age population.

As can be seen, there has been a gradual fall in the level of female employment in recent years. This is the outcome of the major changes that have taken place in Albania during its transition from a centrally planned to a free-market economy. It is also evident that apart from the absolute percentages there are no substantial gender-related differences in the unemployment rates.

Many women are not seeking gainful work in waged employment outside the home because of the increase in unemployment that has accompanied the transition period. It should be noted, however, that the figures do not include all women previously employed in agricultural cooperatives and now working on family farms, nor those engaged in a family business. Another obstacle to the involvement of women is male emigration. Many men, in fact, have gone abroad leaving their womenfolk to look after their families. Women in this position obviously have little or no time for running business, and some may not need another source of income due to the income received from "emigrants' remittances".

Table 2: Sectoral Employment Figures

Year	1995		1996		1997	
	*000	%	*000	%	*000	%
Total workforce	1,138	100.0	1,116	100.0	1,107	100.0
Public sector	276	24.2	239	21.4	226	20.4
Private sector (farming)	750	65.9	761	68.2	761	68.7
Rest of private sector	112	9.9	116	10.4	120	10.9

Source: UNDP Human Development Report, 1998.

As can be seen, agriculture has the highest employment levels (65.9 per cent to 68.7 per cent), followed by the public sector and the rest of the private sector. Employment in the public sector has continued to decline since 1995, with slight increases in the private sector (farming and other activities) categories. Since the public sector accounts for a considerable percentage of the workforce, a few words must be said about the role of the woman manager.

The relatively high level of education of Albanian women is certainly not reflected in the level of their professional standing in the public sector, nor in management and decision-making. During 1997, women constituted 58.8 per cent of all those employed in education, 70.7 per cent of those in the health service, 29 per cent in the courts, 43.8 per cent in the Ministry of Justice, 21.8 per cent in the Ministry for Energy Resources, etc. In addition, 60 per cent of civil servants are men and 40 per cent women.

The inveterate belief that decisions should only be taken by men because they are "more capable" still reigns in the present State administration, where men hold 70 per cent of managerial posts at all levels, and in local government, where they outnumber women by nearly two to one, except in town halls where both sexes are equally represented (UNDP Human Development Report, 1998: Women and Men in Albania, INSTAT, September 1998).

The participation of women in the private sector stands at even lower levels. The following pages examine its features under seven headings:

- 3.2 Comparison of the involvement of women and men in the business world
- 3.3 The extent of women's involvement in the individual sectors of business development

-
- 3.4 The geographical distribution of women in business
 - 3.5 Employees in women's enterprises
 - 3.6 The legal status of women's enterprises
 - 3.7 Initial capital
 - 3.8 Personal data⁴

3.2 Comparison of the Involvement of Women and Men in the Business World

At the end of 1994, private enterprises run by women constituted 21 per cent of the total compared with 79 per cent conducted by men. In 1996, the ratio was 16.8 per cent to 83.2 per cent, and in 1997 18 per cent and 82 per cent. In 1998, 9,502 (17.5 per cent) of the 56,453 private firms registered were managed by women, the other 82.5 per cent by men.

Albania's social and economic position readily explains why the percentage participation of women in the private sector is lower than in other developed countries (e.g. 33.3 per cent in the United States and 25 per cent in the Netherlands in 1995).

There are several reasons why the percentage of women who run a private business is so low. The gender-related division of labour leaves women with less time to devote to business, fewer opportunities of having information, contacts and experience, scantier capital resources, less freedom to travel, the risk of always being exposed to violence (including sexual violence), lack of self-confidence, lack of male confidence in women's capabilities, and lack of willingness on the part of women themselves to handle the administrative side of running an enterprise in Albania. The specific importance of each factor is uncertain. It is more likely that they act in combination to create a hostile atmosphere in an environment that is mainly dominated by men and unfavourable to women wishing to start an enterprise.

3.3 The Extent of Women's Involvement in the Individual Sectors of Business Development

To give an idea of the real weight of women in managerial posts in the individual sectors of economic development, we have taken the data set out below from those published by INSTAT. They are the result of calculations derived from the information collected by the tax office.

The way in which the data are recorded, however, does not allow any specific indication of the position a woman holds, i.e. whether she is in charge of a business or its owner. In addition, the tax office is not able to show whether the business itself is still running or has closed down.

Despite such limitations, we consider that these gender-based statistics are sufficiently representative of the real situation as far as the purposes of this study are concerned.

⁴ These last points are examined in the light of the official data and two previous studies.

The following table illustrates the percentage participation of women in six business sectors in two years (1996 and 1998) as a means of showing the changes in the recent past.

Table 3: Women's Enterprises by Sector

Sector	1996		1998					
	Total	Women	Total		Women			
	No	%	No	%	No	%	No	%
Agriculture	1466	2.5	31	0.3	1241	2.2	32	0.3
Industrial/Agrobusiness	5231	9.1	560	5.8	5674	10	606	6.1
Housebuilding	1417	2.5	93	1	1905	3.4	124	1.2
Trade	39750	53.3	6501	67.2	29370	52	6415	65
Transport	9117	15.9	150	1.6	8199	14.5	157	1.6
Services	9732	16.9	2342	24.4	10042	17.8	2564	26
Total	57712	100	9677	100	56453	100	9902	100

Source: INSTAT (September 1996, March 1999).

These data show that the structure of women's entrepreneurship tends to change little over the course of time. Women's enterprises can thus be said to be typically in three sectors:

- i) Trade (wholesalers and retailers).
- ii) Services (dentists, dispensing chemists, lawyers, public notaries, hairdressers, etc.) (24.4 per cent to 26 per cent).
- iii) Industry & Agrobusiness: this sector mainly comprises women engaged in the processing of milk, publishing houses, textile operations, dressmaking and craftwork (5.8 per cent to 6.8 per cent).

A comparison will now be made between these official data and those collected in the field by the Women's Centre (hereafter referred to as "The Women's Centre Study") and the Association of Women in the Professions and in Business (hereafter referred to as "The Association's Study") for their studies of women's businesses.

The Women's Centre Study

This was carried out in the Diber, Fier, Pogradec, Shkoder, Tirana and Vlora districts. Answers to questionnaires were received from 606 women out of 1,000 selected from a study population of 4,874 persons. The following points emerged: 53.3 per cent of the women were in retail trade, 31.3 per cent were in the services sector (lawyers, notaries, dentists, hairdressers, translators, etc.), 9.1 per cent were in the wholesale business and only 6.4 per cent had started building or other production and manufacturing activities (data very close to the official figures).

Retailing is regarded as a suitable and convenient occupation for women in Albania. During the socialist regime, most salespersons were women and when privatisation began many of them bought the shops in which they had worked. In many cases, retailing is a family business. The woman runs the shop while the man of the house keeps it supplied and handles the other outside operations.

The Association's Study

This was conducted in 16 districts: Berat, Durrës, Elbasan, Fier, Gjirokaster, Korça, Kruja, Kucova, Lezha, Lushnja, Pogradec, Sarandë, Shkoder, Tepelenë, Tirana and Vlora. A total of 191 women were interviewed: 80 per cent were proprietors and 18 per cent were managers.

Conclusion: women entrepreneurs are concentrated in the services sector (35.6 per cent) and in trade (28.8 per cent). These two sectors thus account for 64.4 per cent of the total. Industry and building account for 33 per cent - these figures were influenced by the ways in which interviewees were selected.

The official data and those provided by these studies of the involvement of women in business, therefore, show that women's enterprises are concentrated in the services sector and in trade, and are less frequent in the industry and building sectors.

There are two reasons for this concentration:

- i) The high percentage of women in trade is an outcome of the changes that took place during the 1990s. As mentioned earlier, shops were sold to their sales people, most of whom were women.
- ii) The high percentage of women in the services sector is also an outcome of the changes during the 1990s, when dentists, dispensing chemists, lawyers, notaries, translators, etc. who had previously worked for the State remained in their professions as self-employed persons.

3.4 The Geographical Distribution of Women in Business

The data set out in Table 4 below illustrate the distribution by districts of women as owners and managers of enterprises in Albania in 1998.

Table 4: Breakdown of Enterprises by District

District	Total	Women	District	Total	Women
Berat	1,232	259	Librazhd	519	130
Bulqizë	384	84	Lushnje	2,029	346
Delvinë	619	101	Malesi e madhe	584	25
Devoll	624	104	Mallakastër	373	66
Dibër	1,146	168	Mat	1,050	188
Durrës	4,707	861	Mirditë	576	103
Elbasan	2,946	614	Peqin	308	50
Fier	2,047	338	Përmet	749	124
Gramsh	269	48	Pogradec	1,119	220
Gjirokaster	1,364	166	Pukë	745	85
Has	101	4	Sarandë	1,164	179
Kavajë	786	117	Skrapar	1,052	202
Kolonjë	278	65	Shkodër	1,718	255
Korce	1,803	329	Tepelenë	731	143
Krujë	1,137	141	Tiranë	16,391	3,059
Kucovë	872	193	Tropojë	474	46
Kukes	936	116	Vlora	2,152	340
Kurbin	600	123	Tirana (Commune)	2,268	339
Lezhe	600	148	Total	56,453	9,902

Source: INSTAT March 1999.

As can be seen, about 67 per cent of the enterprises recorded (compared to the number of those run by women) are located at Tirana (about 31 per cent); followed by Durrës (Durazzo) with 8.7 per cent; Elbasan 6.2 per cent; Lushnja 3.5 per cent; Vlora, Fier and Korça with about 3.4 per cent each; and Berat, Shkodër and Pogradec with 2.5 per cent each. In addition, 85 per cent are located in urban areas and 15 per cent in rural areas.

The Women's Centre Study

The results of this study show that 87.2 per cent of the enterprises are concentrated in towns and cities and 12.2 per cent in rural areas (the remaining 0.6 per cent did not complete the questionnaire). Most of the countryside enterprises were engaged in retail trade (77.1 per cent compared with 49.8 per cent in urban areas).

The breakdown by districts was a function of the stratification of the sample selected: 48 per cent in Tirana; 19 per cent at Vlora; 13 per cent at Fier; 10 per cent at Shkodër; 7 per cent at Pogradec; and 4 per cent at Dibër.

New possibilities of employment, however, have appeared in the meantime. Women are finding their place in the free-market economy and identifying the opportunities this

change offers, e.g. the commencement of activities based on professional knowledge on the part of dentists, jurists, beauticians, building engineers, etc.; specialisation in various fields allowing adaptation to the conditions of a new, free-market economy; and their greater participation in NGOs.

3.5 Employees in Women's Enterprises

The INSTAT (March 1999) employment figures for women's enterprises are set out below:

Table 5: Employees in Women's Enterprises

No. of persons employed	Women's enterprises		Total	
	Number	%	Number	%
One	8,384	84.6	44,433	78.8
2-10	1,448	14.6	10,884	19.2
More than 10	70	0.7	1,136	2.0
Total	9,902	100.0	56,453	100.0

It is clear that most of these women (84.6 per cent) are self-employed while only 15.4 per cent have people working for them. This also means that women are generally engaged in businesses in which other members of their families work, either paid or unpaid, but are not regularly employed.

The Women's Centre Study

The results of this study showed that 28 per cent of enterprises had employees and 65.7 per cent had none (6.3 per cent did not reply). All the building enterprises had employees. Manufacturing and trading firms had relatively more employees than retail firms. It was clear that the vast majority were small enterprises.

The Association's Study

The results of this study show that at the start of their businesses about 83.2 per cent of women engaged 0-5 employees; 6 per cent engaged from 6 to 10 employees; 5 per cent from 11 to 20 employees, and about 6 per cent more than 20 employees. The current figures are 77 per cent, 5 per cent, 9 per cent and 9 per cent respectively, thereby showing a significant increase in the number of employees.

The increase in the percentage of women entrepreneurs employing several persons reflects an enhancement of their level of confidence and their managerial capabilities in relatively large businesses.

It was also noted that 45.8 per cent of women entrepreneurs found it difficult to engage more staff and gave two main reasons:

- i) High social security contribution rates (however, it should be noted that social security is a legal entitlement for workers, and all employers are obliged to provide such important forms of protection for their workers);
- ii) Low levels of vocational training attained by job seekers.

However, account should be taken of the fact that the field data are lower than the official figures and were collected from the informal market (i.e. some 52 per cent of the total

labour market), much of which would not be covered by the INSTAT figures. They must therefore be accepted with all due reserve.

The real size of a firm's workforce is generally not declared due to the perceived high cost of social security contributions, and the low levels of vocational training.

3.6 The Legal Status of Women's Enterprises

The paucity of official data concerning the juridical status of women's enterprises makes it necessary to draw conclusions from the two studies only.

The Women's Centre Study

Many women devote particular attention to the choice of an appropriate legal status for their enterprises. In answer to the question whether they thought it necessary to fit their activities within a juridical category, 77.5 per cent replied in the affirmative and only 20.1 per cent in the negative (2.5 per cent did not answer).

In this study, 8.6 per cent of the enterprises were itinerant or had no fixed address, 67.3 per cent were natural persons and 23.8 per cent were legal persons (0.3 per cent did not answer). All the building firms and half of the manufacturing firms were legal persons. Services and trade were mostly conducted by natural persons (unincorporated sole traders).

The Association's Study

In this study natural persons constituted the dominant form of women's enterprises: about 47.6 per cent in all sectors combined and 58 per cent in the services sector, compared with only 22.4 per cent in the manufacturing sector, where limited companies (31 per cent) and associations (29.3 per cent) were preferred.

3.7 Initial Capital

The Women's Centre Study

The field data gathered in this study showed that 68.1 per cent of women had started with less than USD 5,000; 25.2 per cent with USD 5,000 to 19,999; 2.7 per cent with USD 20,000 to 49,999; and only 0.2 per cent with 50,000 to USD 100,000 (no answers were provided by 4 per cent). It was also found that manufacturing and building enterprises had started with more than USD 5,000; the other sectors with less.

Personal or family savings had been employed by 69 per cent of women and 35.2 per cent had made use of remittances from relatives abroad. About 40 per cent had borrowed from friends or relatives, and 16.9 per cent had begun with the proceeds of the sale of their shares in a business, acquired through privatisation. Only 8 per cent of women had obtained a loan from a bank.

Relations with banks are not easy for women in Albania. Almost 15 per cent (556 women) had applied for a loan and only 51.6 per cent of those (287) had been successful, while 82.4 per cent of the total (2953) had never even tried. Applications for loans were submitted by 50 per cent of women in the building sector, 43.9 per cent of those in the manufacturing sector, and 31 per cent of those in wholesale trade. Only 13.3 per cent of those in retail trade and 9.5 per cent of those in services had applied.

The Association's Study

This has demonstrated that consolidation of the activities of women entrepreneurs can be also discerned in the augmentation of their initial capital. In the early years, only 15 women (7.9 per cent) started off with more than Lek 5,000,000 compared with 48 (25.1 per cent) in 1999. In the same way, those who started with less than Lek 500,000 in the early years were 65.4 per cent, compared with only 22.5 per cent in the most recent findings.

Another interesting feature is that almost 76 per cent of the women had started with their own or family savings, and 43 per cent had borrowed from other relatives. Only 7 per cent had used bank loans, whereas the survey shows that the real need for bank loans is much greater. Even so, few women had applied for loans. Information from the National Commercial Bank, for example, indicated that only five out of two hundred applicants were women. At the German Credit Agency in the Agricultural Commercial Bank, only ten out of one hundred and five applicants were women. The percentage of loans granted to women by banks and other lending institutions (mostly private banks and other banking institutions) ranged from 0.2 per cent to 22 per cent.

Conclusions:

- Start-up capital is generally drawn from personal or family savings, and over recent years there has been an increase in its size.
- Few women have applied for bank loans (mostly those in the building, manufacturing and wholesale sectors) and only a small proportion have been successful.

3.8 Personal Data

Some personal data regarding women in business in Albania are set out below. The two field studies show that they are better educated than women in general.

The Women's Centre Study

This showed that 86.6 per cent of these women had received higher education - 63.1 per cent senior high school, 22.5 per cent university.

According to the findings, ten per cent were aged 20-29, unmarried and childless. The other 90 per cent were aged 30 to 50 and had children. They obviously had to combine their business and family commitments.

Many women had started their businesses to earn more money since income levels are rather low due to a high rate of unemployment: 79.6 per cent stated that they had entered the business world for this reason and to keep themselves and their families.

The Association's Study

This survey found that 56 per cent of the women had completed their university education and only 2.1 per cent had got no further than junior high school. There is thus, based on this relatively high educational level, a great potential for future development. Other significant factors were that about 90 per cent were married, 6 per cent were unmarried and 95 per cent had children.

Here, too, the main reason for starting a business in a poor country such as Albania was to make money: 78 per cent of the women stated that they had been driven by economic considerations, and 69 per cent stated that their aim had been to achieve a standing in society — an indication of the high level of emancipation among Albanian

women. Unemployment was also a stimulus, rated as important by 46 per cent of the study population. The shortage of paid jobs is obviously encouraging women to become self-employed.

Conclusions:

- Albanian women entrepreneurs are highly educated (86.6 per cent and 93 per cent with a senior high school or university background in the two studies).
- Being married and having children has not prevented them from starting a business.
- Most women have gone into business to earn more money.

4. THE DIFFICULTIES ENCOUNTERED BY WOMEN ENTREPRENEURS

This section is devoted to a general overview of the difficulties encountered by the interviewees in the process of running their businesses.

4.1. FINANCIAL ASSISTANCE

One of the main obstacles encountered is the lack of financial support both from State and private banks, and from institutions and funding foundations as a whole. It is noted that about 50 per cent of women entrepreneurs wish to receive financial backing to expand their firms.

Women entrepreneurs have run up against difficulties in their relationship with the financial system operating in Albania, such as banks, foundations, etc. As indicated earlier, the percentage of women entrepreneurs to whom loans are granted ranges from 0.2 per cent to 22 per cent.

Several factors stand in the way of the granting of loans to women entrepreneurs:

- The high rates of interest charged so far by the banking system.
- The policy followed by the Bank of Albania when placing ceilings on its loans to second-level banks.
- The absence of any differentiation in the interest rates applied to loans to women (this was seen as important by the research team).
- Corruption, low competence levels, and unwillingness on the part of the heads of loan departments in second-level banks to follow the progress of a business, somehow contributing to the non-payment of 50 per cent of loans and consequently increases in interest rates (as identified by the research team).
- Women tend to be technically unprepared in their approach to a lending institution.
- High standards employed in evaluation of the property qualification as required as collateral, and refusal to accept an applicant's house for this purpose, despite the fact that in most cases this is the only item of realty she has.

4.2 THE LEGAL BACKGROUND

Three main difficulties of a legal nature stem from Albania's unfavourable tax laws:

1. The country's tax policy does not stimulate business development.
2. The tax system is not clearly defined.
3. Unfair competition. Women often complain, in fact, that taxes are too high and the taxation system is unfair. "Those who earn more pay the same taxes as those who earn less" is an oft-repeated assertion.

The research inquiries have also shown that women entrepreneurs regard customs duties and the value added tax as impediments to the development of their businesses, whereas the tax charged on the net income of small enterprises is seen as less burdensome.

Another feature is the lack of information on registration and licensing procedures. Relations with the State administration are regarded as problematical by 22.4 per cent of women, especially in matters relating to licences and taxes.

4.3 INFORMATION

Information is the hub around which the success of an enterprise revolves. There are no public institutions to which one can turn for current information on business development. About 56.1 per cent of the women felt that information/knowledge about the market is necessary, whereas 37.8 per cent did not (6.1 per cent did not reply). These percentages are much the same for all types of enterprises, both urban and rural.

4.4 THE SOCIAL ENVIRONMENT

Women entrepreneurs tend to be discouraged by a hostile and distrustful environment. Several factors of a social, cultural and psychological nature have led many people to believe that women are devoid of the managerial capabilities required for the successful management of a business. This attitude is hardly likely to change in the short term.

4.5 MANAGERIAL CAPABILITIES

Taking risks is inherent in the running of a business, and men are usually more ready to do so than women. Some women lack the self-confidence required for taking business risks. Many are unfamiliar with marketing techniques, or do not possess the experience and ability needed to expand their businesses, or sell other products, or to diversify.

They often find it hard to draw up, prepare and present a business plan. Here great assistance has been provided by other NGOs, such as the "Promotion and development of small and medium-sized enterprises" project of the German GTZ in Tirana, the regional development agencies operating in several towns, and the UNDP-backed "Promotion of small and medium-sized enterprises and the possibilities of creating new jobs" project at Fier and Berat.

4.6 LACK OF TIME

Almost a quarter of the interviewees reported difficulties in fitting in the time required by their business with that needed to look after their home and their children.

4.7 INFRASTRUCTURE

About 29.6 per cent of the interviewees had found it necessary to deal with water, electricity and telephone problems, and the general consequences of a weak infrastructure, which tends to hamper the growth of their business.

4.8 MOBILITY

About 10.3 per cent of the women had difficulty in travelling alone, mainly due to the chaos during the economic and political crisis. Moreover it can be said that Albanian women are “not supposed” to travel alone. If they dare to do so, they may be the subject of adverse reactions, molestation or robbery, and they have greater fears than men who travel alone. The problem of getting around is of greater consequence for women who live outside Tirana and have to come into the capital for supplies.

4.9 EMPLOYEE PROBLEMS

Most women complained about the high social security contributions demanded for their employees, who are themselves not skilled and often unqualified.

4.10 INSTABILITY

Civil disorder has resulted in the closure of many businesses run by women and discouraged the others to commence businesses.

Examination of the reasons why businesses close down throws light on the difficulties that face women as entrepreneurs in Albania. Lack of funds was responsible for 36.4 per cent of shutdowns, whereas 29.6 per cent of women gave up due to external non-business (gender-related) factors such as marriage or divorce. In other cases, women entrepreneurs have been compelled to close because the land on which their enterprise was situated was repossessed by the former owner. Other closures have been rendered necessary by a lack of customers (13.6 per cent) or arising from management problems (12.7 per cent).

The collapse of notorious pyramid finance companies has also resulted in business shutdowns because:

- Part of the venture capital was lost.
- The turnover decreased or some operations in the commercial and services sectors, where most women entrepreneurs are active, proved a failure.
- The confidence needed to make new investments or expand the business waned.

Other reasons cited by women entrepreneurs include the lack of business experience, lack of distribution channels, poor fund management, instability, etc.

Of the 91 women who had given up their business, 62 (67.8 per cent) replied “Yes” to the question “If you had another chance, would you start a new business?”: of those, 54.4 per cent would have chosen the same line of business, 42.2 per cent would have opted for a new one and 3.4 per cent were undecided.

5. ORGANIZATIONS SUPPORTING WOMEN ENTREPRENEURS

At the time of preparing this report (1999), no detailed study had so far been made of the full range of activities and support services carried out by organizations supporting Albanian women entrepreneurs. The information presented in this chapter is mainly drawn from three surveys:

“Involvement of women in the business world in Albania”;

“Businesswomen in Albania”;

“The status of NGOs working in the business field”.

The secondary research findings from these reports are taken together with the official data collected by public institutions, sponsors and foreign projects working in Albania in order to prepare this report.

In Albania, support to women entrepreneurs is provided by:

- The Government
- Foreign institutions and international agencies
- NGOs

5.1 THE GOVERNMENT

A Women’s Department was established by the Government in 1992. It is now called the “Women and Families’ Committee” and is attached to the Cabinet. Its main aim is to involve women in all fields of life through the elaboration and handling of social policies, better legislation, and collaboration with local authorities. Some data produced by the State provide a comprehensive picture of the position of women in Albania. The problems faced by the Committee are more extensive than those relating only to the involvement of women in business. Its efforts to assist and promote the establishment of enterprises by women have included the organization of training seminars for women entrepreneurs and participants from NGOs and State departments on subjects such as:

- How to start a business;
- Preparation of business plans;
- Basic accounting procedures.

These have been held both in Albania itself and abroad with funds provided by the Government and some international organizations, such as the UNDP, EU and ILO ⁵.

⁵ The International Training Centre of the ILO has arranged courses on policies for women’s entrepreneurship development, and on the training of trainers and advisers in SMEs.

Round tables attended by donors and women entrepreneurs have furnished several recommendations aimed at providing better support for women entrepreneurs. These include:

- The promotion of collaboration between Government bodies in the elaboration of policies designed to encourage the setting up of businesses by women in Albania;
- The professional upgrading of women entrepreneurs;
- The involvement of women in rural areas in the starting agro-businesses;
- The creation and consolidation of lending schemes to assist women entrepreneurs;
- Bringing about an improvement in the legislation governing NGOs involved in advising and supporting business.

5.2 FOREIGN INSTITUTIONS AND AGENCIES

Many international organizations provide assistance to help women to go into business, e.g. USAID, UNDP, EU, ILO, ORT, SOROS, GTZ, SNV, FSHSHC, etc.

ILO: The International Training Centre of the ILO has been designing and implementing specific interventions in Albania since 1991, i.e. from the country's entrance in the ILO. After the political and economic crisis in 1997, the ILO produced a report on the social dimension of economic recovery⁶. This report shows that the promotion of women's entrepreneurship is one of the channels for reaching sustainable economic and social development.

Since 1995, the ILO's International Training Centre in Turin started a programme on promoting women's entrepreneurship in Albania with funds from the Italian Government. The programme activities took place both in Turin and in Tirana and have included training courses on "Policies and strategies for the promotion of women's entrepreneurship" (1995) and "Training of trainers/advisors for enterprise creation and management" (1996). In October 1996, a follow-up seminar in Tirana offered the opportunity for evaluating the impact of the training offered. Further initiatives were also analyzed, as well as difficulties met and additional needs identified by Albanian women entrepreneurs.

Following this evaluation phase, a new strategy for supportive interventions was designed. It combined two approaches: *gender mainstreaming*, on the one hand, which allowed a large number of women's organizations to participate in generic training programmes offered to both men and women, and *empowerment*, on the other hand, through a training and technical assistance programme⁷ aimed specifically at women and their organizations.

⁶ Albania: Social Dimension of Recovery — Assessment and Proposal for Action, ILO (1997)

⁷ "Promotion of women's micro and small scale enterprises in Albania"

In synergy with the first programme carried out by the ILO's International Training Centre (ITC/ILO), an informal network was born ("Cosi vicine, cosi lontane")⁸. It allowed an active and fertile exchange of experiences among Italian and Albanian women's associations and organizations. This successful practice also inspired further projects.

In September 1998, the ITC/ILO proposed a new programme to the Municipality of Milan. This was a project on "Poverty alleviation through the promotion of women's micro and small-scale entrepreneurship in Albania". The Municipality of Milan had in fact started a cooperation programme to support Albanian entrepreneurs, aimed at building a bridge between the consolidated women's entrepreneurship experience available in the Milan area and the potential equivalent capacity in Albania. This programme was based on a solid partnership among the Municipality of Milan, the ITC/ILO, the Milan-based structure of the Women's World Banking and AIDDA⁹. In Albania, the collaboration was extended to both governmental units, such as the Women and Family Committee at the Ministry of Labour, and non-governmental partners, such as the Women's Centre in Tirana.

Following the 1999 emergency in Albania, due to the war in neighbouring Kosovo, a number of adjustments were requested to the original project idea. It was nevertheless possible to implement the programme, which eventually included:

- (a) A national study on the potential for women's entrepreneurship in Albania (The outcome of the first project component, based on a study carried out by the Women's Centre in Tirana and on previous research work, is presented in this publication and available at the ILO's website: www.ilo/seed.);
- (b) A series of group fellowships for Albanian women entrepreneurs in the Milan industrial area. These were in three main sectors: textile & clothing, building and construction and food processing;
- (c) The creation of a database of contacts in Italy, Albania and in the wider international community, and the publication of an information bulletin.

USAID: In consideration of the importance of women's role in a democratic society, this organization is engaged in supporting and strengthening their position as vital participants in social activities. Through various projects with the Republican International Institute, Land O'Lakes, the German Marshall Fund, ORT and others, it has been one of the leading sponsors concerned with promoting business in general, and the development of businesses by women in Albania. This has been implemented with the support and involvement of several women's NGOs.

Land O'Lakes: This is an agricultural programme for women. In 1996, it provided training in agriculture and stockbreeding for 3,945 women. It promoted the constitution of the "The law and the rights of countrywomen" NGO, and is one of the few organizations working with countrywomen.

ORT (the "Network for democracy" programme): Its training courses have dealt with a variety of subjects: hairdressing, beauty treatment, dressmaking, secretarial work,

⁸ "So near, so far": the title suggests geographical and motivational proximity, in two very different social and economical contexts.

⁹ Associazione Italiana Donne Dirigenti d'Impresa (Italian Association of Women Enterprise Managers)

information technology, foreign languages, etc. It has also provided NGOs with technical assistance in strengthening their capabilities and institutional structures. It has more recently given priority to the augmentation of the economic sector.

German Marshall Fund & CEEL: This has aided women in matters concerning their legal rights.

UNDP: Through a joint project with the Albanian government, “Woman and Development”, the UNDP is supporting the strategies and women’s development plans devised by the “Women and Families” Committee. Its UNOPS agency is currently running the “Promotion of the social and economic status of Albanian women” project funded by the Italian government, which is designed to encourage the participation of women in social, cultural, economic, legal, health and other development. Support for and involvement of women in business is one of its components.

The UNDP’s projects have devoted close attention to identification of the capabilities of NGOs and the ways and means by which they can establish the dialogue they need with State departments. The UNDP will continue to act as a coordinator for the donor community for the purpose of consolidating developmental gains in Albanian society.

SNV: This Dutch-funded volunteer programme assigns priority to the improvement of living conditions in rural Albania, with particular emphasis on the position of women. Its project in support of rural women - especially the technical assistance components of it - has been implemented through a variety of measures coordinated by public organizations or NGOs, sometimes in conjunction with foreign experts.

SNV also contributed to the Women’s Centre’s “Businesswomen in Albania” study. Its services have been used both by NGOs and women entrepreneurs. SNV’s future activities will be directed at stimulating agricultural production and trade, especially that of dairy produce and vegetables in the North East of Albania, where women are more active in this sector. It will also set out to strengthen the managerial capabilities of both NGOs and government organizations.

FSHSHC: This organization provides assistance in the creation and consolidation of businesses. It began to operate in 1995 and is the only foreign foundation entirely run by local staff, and is headed by a woman. It has made a great contribution to the growth of the third sector. It granted loans to 30 women’s NGOs (13 per cent of those that applied, and amounting to an allocation of about 29 per cent of its budget) in the period 1995-98.

EU: The EU’s PHARE project has funded the projects of several women’s NGOs, such as the project directed by the Albanian Women’s Independent Forum, and the “For the advantage of Albanian Women” Association to assist them in creating jobs through the establishment of two dressmaking businesses and a publishing house.

The World Bank: The World Bank is conducting three projects through the Albanian Development Fund, financed through a consortium of the IDA, Italian Government, Swiss Government.

- *The Urban Credit Project.* This is operational in the Tirana, Pukë, Shkoder, Kavaja, Shijak, Elbasan and Berat districts and is directed to the creation and development of small enterprises through the granting of loans ranging from Lek 200,000 to 500,000. Its 2,364 borrowers include 512 women (22 per cent). This has been one of the most successful small-scale loan projects in the country.
- *The Rural Credit Project.* This is operative in 221 villages in 10 districts. It is directed by a woman and its main aim is the provision of small loans (up to USD 1,000) to

peasants lacking the means to create a gainful business. Eight per cent of its 13,623 borrowers are women. This project has been rated as one of the most successful in Eastern Europe.

- *The Infrastructure Project.* This is designed to involve rural workers in infrastructure projects.

The World Bank's current policies favour the inclusion of NGOs in its projects.

GTZ: GTZ's "Consolidation of SMEs in Albania" project offers technical assistance through cooperation between the Albanian and the German Government. For the last five years, training courses dealing with the basic concepts of running a business have been accompanied by consultancy on behalf of SMEs, and a common loan fund has been created to meet their financial requirements. Entrepreneurs are assisted through the Regional Development Agencies in the Shkoder, Kruja, Tirana, Elbasan, Korça, Vlora and Gjirokastra districts. This project is implemented in conjunction with Albanian public institutions and with UNDP, ILO and PHARE.

GTZ's assistance has been extended to women entrepreneurs since the end of 1996. Up until April 1998, services were provided to 192 women (142 through training courses, 50 through consultancy), almost 40 per cent of whom wished to start a business and had a clear idea of the type of business they wanted to operate. Some had already been in business; others were looking for advice and guidance in deciding which kind of business they should start.

SOROS: This is currently engaged in supporting the work of women's NGOs through the "Women's Programme", which is one of the main sources of the Women's Centre's funds. Much has been accomplished in the identification of effective ways of supporting both women who are already in, or are wishing to be in, business as well as the women's NGOs that support or promote these enterprises.

However, in spite of all of this support, four factors still require further consideration:

- a) None of the institutions referred to above has any clear long-term strategy with regard to the provision of continuous assistance, beginning with the initial idea of starting a business and followed by the monitoring of its progress over time.
- b) There is no true collaboration between these institutions in the definition and formulation of an organic programme for the support and promotion of women's businesses.
- c) Many training courses are too academic. Insufficient attention is paid to both the readiness of the participants to put what they learn into practice, and their real chances of doing so.
- d) The time has come for more concrete measures, such as exchanges, partnerships, easy-term loans, etc. NGOs that promote the participation of women in business are in a position to set up projects of this kind.

5.3 THE NGOS

The successful creation of a civil society and the expected transition to a free-market economy are closely linked to the promotion of liberalisation and liberal ideas in economics. This means that the speed of progress is determined by the extent to which people form and take part in associations, foundations and other bodies concerned in

decision-making with regard to the country's economic policies. Some persons have discovered and taken advantage of the opportunities presented by the new context and have been able to turn their own work into a business, even in the absence of any proper idea about how it should be run. This situation has contributed to the establishment of both NGOs in general, as well as those that operate on behalf of and support businesspersons.

In general women have tended to form NGOs to handle the difficulties posed by the transition, and also to deliver a message to the public in order to arouse greater attention on the part of the Government to the problems associated with their participation in the social and economic life of the country. As in every other country, intellectual women were the first to act by taking several steps designed to change the standing of women. The earliest women's NGOs were legally constituted in 1991 and 1992. The participation of women in a wide range of sectors has resulted in a far-reaching exchange of experiences and information, and opened the way to the safeguarding of their rights through the formation of numerous associations.

The women's NGOs that support women entrepreneurs are of two types:

- i) Those concerned with business as such, and with protecting the interests of women entrepreneurs and encouraging their wider participation and involvement;
- ii) Those concerned with job opportunities for women, and the ability of women to set up projects aimed at strengthening the standing of Albanian women.

There are 64 women's NGOs in Albania (statistics provided by the Women's Centre, March 1999). Sixteen of these are engaged in finding jobs for women as well as in the promotion of their involvement in business. They are present in the areas marked by the greatest degree of entrepreneurship: 11 in the city of Tirana, the others in Vlora, Korça, Elbasan, Berat, Gjirokastra, Fier, etc. Account is also taken of the branches of organizations whose head office is in Tirana. Three factors are responsible for this geographical distribution.

- The establishment of NGOs in these towns was rendered necessary by the increase in the number of the small enterprises;
- Nearly all the major organizations operate in Tirana and have also extended their influence to some parts of the country;
- Nearly all the foreign sponsors supporting the activities of NGOs are located in Tirana.

The presence of business NGOs at Vlora, Korça, Elbasan, Gjirokastra, Berat and Fier is also a consequence of the local presence and influence of Regional Development Agencies (RDAs). These have arranged training seminars for existing and would-be women entrepreneurs, and helped in the recruitment and training of NGO personnel. These NGOs cannot be simply described as "organizations supporting women entrepreneurs". They must thus be classified into four groups, as illustrated below.

a) **Business NGOs:** This group comprises four principal associations: the Association of Women in the Professions and in Business, Tirana; the Association of Intellectual, Professional and Business Women, Tirana; the Association for the Promotion of Businesswomen, Vlora; and the Businesswomen's Association, Korça. These associations set out through their activities and their composition to support women entrepreneurs and self-employed women.

b) **NGOs promoting the involvement of women in business:** This group is represented by the four mentioned above and: the Women's Centre, Tirana; "The Law and Women's Rights" Association, Tirana; "Intellectual Women's Association", Puka; "Apollonia" Women's Association, Fier; "The Women of Korça" Association, Korça; and "Women who produce in transition" Association, Tirana.

c) **Professional women's NGOs** (all in Tirana): Women Jurists Association; "Linda" Women Painters and Sculptors Association; Association of Women in the Professions and in Business; Association of Intellectual, Professional and Business Women; and "Fashion at the service of women" Association.

d) **NGOs that help to generate jobs for women:** These operate through an economic activity or by taking on women for the realisation of projects, and they include: "For the advantage of Albanian Women" Association, Tirana; Albanian Women's Independent Forum, Tirana; "Reflections" Association, Tirana, etc. (Further details in Appendix 4).

An account will now be given of the ways in which these NGOs support women entrepreneurs and their placement in the labour market.

- **The Legal Group of Women and the Women's Centre** formulated a range of comments on the content of the Labour Code (1995) and analysed its impact on women's status. Nine of their recommendations were adopted during the course of its readings in Parliament, among which a section protecting women against sexual harassment in the workplace was inserted in the Code of the first time.
- **The Albanian Women's Independent Forum** has 16 branches, covering the Tirana, Bulqiza, Lac, Puka, Lezha, Lushnja, Kruja, Durres, Elbasan, Fier, Peshkopi, Vlora, Gjirokastra, Saranda, Burrel and Pogradec districts. It has supported the setting up of two dressmaking businesses: "Jonida" at Vlora, and "Alba" in Tirana, and these are staffed by more than 50 women.
- **The "For the advantage of Albanian Women" Association** has branches in the Shkroda, Burrel, Lezha, Kruja, Durres, Elbasan, Fier, Berat, Gjirokastra, Saranda and Korça districts. It has completed the following projects:
 - i) Opening of a dental clinic where two women provide free treatment for needy women;
 - ii) Opening of the "Golden hands" shop, which sells women's craftwork;
 - iii) Organizing a management and marketing seminar;
 - iv) Building a greenhouse in the village of Tapiza.
- **The Association of Women in the Professions and in Business** has branches in the Shkroda, Lezha, Kruja, Durres, Shijak, Elbasan, Rrogozhinë, Lushnja, Fier, Berat, Vlora, Selenica, Gjirokastra, Saranda, Tepelena, Korça and Pogradec districts. It has 200 members, of whom 20 per cent are in business and 80 per cent in the professions. Its activities to support women entrepreneurs include:
 - i) Round-table discussions with women entrepreneurs from the Durres, Tirana, Tirana and Rrogozhinë districts;
 - ii) A working meeting of members on enterprise policies and strategies;
 - iii) Four training seminars on enterprises, conducted by Italian experts in Tirana and at Dibra;

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- iv) A Round-table talk on “Staying in business and the creation of new jobs attenuate the consequences of the losses of finance companies”;
 - v) Training courses for its members on motivation, marketing, business plans, accounting and the tax system (via assistance from the GTZ project);
 - vi) A national study of Albanian women entrepreneurs (funded by GTZ, 1997-98);
 - vii) Publication of the magazine “... and businesswomen, too”.
- **The Association for the Promotion of Businesswomen (Vlora)** operates in the Tirana, Gjirokastra, Vlora and Librazhd districts. It has coordinated six projects:
 - i) Identification of unemployed women producing craftwork at home;
 - ii) A study of women running private enterprises;
 - iii) A study on the role of women entrepreneurs in a democratic society;
 - iv) Participation in about seventy training seminars provided by foreign institutions and held both locally and abroad;
 - v) The organization of the Vlora women craftworkers fair;
 - vi) The creation of a database for self-employed women.
 - **The Women’s Centre:** As the coordinator of the activities of women’s associations, its additional aim has been to contribute to the support of women entrepreneurs. This has resulted in the following activities:
 - i) Undertaking the “Businesswomen in Albania” study (1997-98);
 - ii) Conducting three “Start your own business” training sessions for women from Fier, Berat, Vlora, Elbasan, Shkodra and Puka;
 - iii) Preparing the literature references required by women entrepreneurs.
 - **The Association of Intellectual, Professional and Business Women** has only 30 members, few of whom are privately employed. Its activities are confined to seminars.
 - **The “Law and Rural Women’s Rights”** Association is the only one that operates in the rural sector. It has organized some business training courses.
 - The **“Reflections”** Association’s project “Line 33408 - consultancy for women and girls” has provided work for 12 women in Tirana and 11 at Scutari. The Association is also developing a three-part project for the placement of women in employment through:
 - i) Identification of the labour market for women in Tirana;
 - ii) Preparation for entry into the labour market;
 - iii) Vocational orientation in the light of the market demand, and the appropriate correlations between professions and business development.

The other organizations in this area have few members and most operate locally and have no branches elsewhere. Their main activities for the promotion of the involvement of women in business are training courses and studies on the employment of women and their participation in economic development in the transition stage.

Four points emerge from this overview of the situation:

- The aims of most NGOs supporting women entrepreneurs go well beyond the simple provision of assistance for their enterprises, and only a few of their members actually run a private business.
- They have few active members.
- Their activities are principally confined to training, studies, round tables and debates.
- The main problem facing the associations is the lack of a clear strategy and the ability to devise policies and basic development plans.

The conclusion to be drawn, therefore, is that the influence and impact of the activities of business NGOs for the support of women entrepreneurs has been, in general, inadequate. The fault lies in their lack of experience and lack of confidence in their role, as well as in their limited chances of achieving any concrete improvement in the position of women entrepreneurs.

As has been shown, several associations based in Tirana have set up branches in other parts of Albania. Vlora's Association for the Promotion of Businesswomen has also set up branches in another three districts. The women's movement in support of women entrepreneurs is expanding and consolidating. Its operations are being extended from the large cities to the smaller towns, and the intention is to bring them gradually into the country districts. Decentralisation through the establishment of new branches should be followed by an increase in membership. However, as already stated, most of these NGOs have few active members. This move towards decentralization can also result in a further fragmentation of their activities.

The 16 business NGOs were well to the fore from 1995 to 1998, and most of their 187 projects were implemented during this period. They handled funds amounting to about USD 524,190. In addition, the "For the advantage of Albanian Women" Association and the Albanian Women's Independent Forum were able to manage considerable sums in executing their projects (FSHSHC, Women's and Young Persons NGOs Department, May 1998). It is clear that these organizations are capable of handling funds and managing and implementing projects.

Changes and improvements in their management structure and policies are making these organizations even more representative of women's interests. In some cities, they are forming groups composed of: a) women entrepreneurs; b) would-be women entrepreneurs; and c) women wishing to know more about management without being directly involved in an enterprise. The common aim of all these women is to improve their standing and their social and economic position in a democratic society.

Women's associations have begun to elaborate long-term operating strategies. They are becoming more skilful in communicating with sponsors, and have acquired both experience and staff that work in a professional manner that is often on a par with that of the high-ranking public institutions.

The need for NGOs to have qualified personnel is a good basis for the provision of jobs for women. An increase in the number of their projects ought to "naturally" lead to an

increase in the number of women engaged in Albania's social and economic life. Women's NGOs have achieved a lot towards the fulfilment of their respective missions. Even so, they have encountered many difficulties, mostly of a psychological, social and cultural nature, and due to a lack of specific experience of working in the non-governmental environment. Substantial changes, therefore, can hardly be expected from their efforts in the short term.

The next section sets out the conclusions and recommendations formulated during the studies of women in business and studies on the NGOs engaged in the promotion of women's entrepreneurship.

6. CONCLUSIONS AND RECOMMENDATIONS

6.1 CONCLUSIONS AND RECOMMENDATIONS CONCERNING THE STATUS OF WOMEN ENTREPRENEURS

a) As stated earlier, 56,453 private enterprises were registered in 1998, including 9,902 (17.5 per cent) conducted by women. Several reasons can be put forward to explain this large numerical and percentage difference between the sexes.

- The gender-related division of labour leaves women with less time to devote to business;
- Women enjoy fewer opportunities of having information, contacts and experience;
- They have scantier capital resources available;
- They cannot readily travel and are exposed to risks and violence (including sexual violence);
- They lack self-confidence and there is a lack of male confidence in women's capabilities;
- They lack the willingness and readiness to handle the routine and practical aspects of running an enterprise.

The relative importance of each of these reasons is uncertain. It is more likely that they act in combination to create an environment that is mainly beneficial to and dominated by men, and hostile to women entrepreneurs. Many of these factors have their roots in the psychological, social and cultural background. Substantial changes, therefore, can hardly be expected in the short term.

b) Women's enterprises are primarily concerned with trade (65 per cent) and services (25 per cent). Very few exist in the production, building and other sectors. There are two reasons for this:

- i) The high percentage of women in trade is an outcome of the changes that took place during the 1990s when shops were sold to their sales people, most of whom were women.

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- ii) The high percentage of women in the services sector is also an outcome of the changes during the 1990s, when dentists, dispensing chemists, lawyers, notaries, translators, etc. who had previously worked for the State remained in their professions and their status changed to that of self-employed persons.
- c) The percentage of the registered businesses run by women range from 31 per cent in Tirana and 8.7 per cent in Durazzo, down to 6.2 per cent at Elbasan, 3.5 per cent at Lushnja, 3.4 per cent at Vlora, Fier and Korça, and only 2.5 per cent at Berat, Shkodra and Pogradec. These localities account for about 67 per cent of the total number of enterprises in Albania. Approximately 85 per cent of firms are in cities and towns, and the remaining 15 per cent in rural areas.
- d) Women entrepreneurs are generally well educated (between 86.6 per cent and 93 per cent have finished senior high school or university). In Albania, marriage and having children are not regarded as reasons for not starting a business. Most women have gone into business to earn more money.
- e) Most women (84.6 per cent) are self-employed while only 15.4 per cent have people working for them. This means that women are generally engaged in businesses in which other members of their families work, but are not in regular or waged employment.
- f) The studies show that 45.8 per cent of women entrepreneurs found it difficult to take on more staff for two main reasons:
- i) High social security contribution rates;
 - ii) Low levels of vocational training attained by job seekers.
- g) Most enterprises operate with the legal status of “a natural person” rather than a legal person (limited liability company), and this is preferred since this is felt to be more suitable for the activities in which Albanian women are engaged.
- h) The initial capital required to start a business is usually obtained from personal or family savings, or those of relatives. The amount involved has tended to increase over the recent years. However, even still most businesses begin with less than USD 5,000.
- i) The few women who applied for bank loans were mainly engaged in the building, manufacturing and wholesale fields. Only 8 per cent of women entrepreneurs were successful in obtaining finance from these sources. Several factors stand in the way of the granting of loans to women entrepreneurs:
- The high rates of interest charged so far by the banking system;
 - The policy followed by the Bank of Albania when placing ceilings on its loans to second-level banks;
 - The absence of any differentiation in the interest rates applied to loans to women;
 - Corruption, low competence levels and unwillingness to follow the progress of a business on the part of the heads of loan departments in second-level banks, thus contributing partly to the non-repayment of 50 per cent of loans and consequent increases in interest rates;
 - Women’s technical unprepared-ness in their approach to a lending institution;

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- High standards employed in assessing and evaluating the property required as collateral, and refusal to accept an applicant's house for this purpose, despite the fact that in most cases this is the only item of realty that a woman might have.
- j) Albania's unfavourable tax laws:
- The country's tax policy does not stimulate business development;
 - The tax system is not clearly defined;
 - Unfair competition.
- k) Civil disorder has impeded the development of new ideas and the expansion of businesses, and has in some cases resulted in the their closure.

Examination of the reasons why businesses close down throws light on the difficulties that these women have had to face.

- Lack of funds;
- External non-business factors, such as marriage or divorce;
- Re-possession by its former owner of the land on which the enterprise stood;
- Management difficulties;
- The collapse of finance companies (some firms lost part of their venture capital);
- The economic collapse in 1997 decreased turnover or led to the bankruptcy of some enterprises in the commercial and services sectors where most women entrepreneurs are active;
- Women entrepreneurs tend to lack the confidence needed to make new investments or expand an existing business;
- Lack of appropriate support and expertise;
- Poor fund management;
- Instability, both politically and economically, etc.

At present, women entrepreneurs still need the technical assistance required to improve their profile. It is clear that support for their business endeavours is an immediate necessity. They must be able to perceive and receive the support and backing of the Government through its policies to promote micro and small enterprises and the private sector in general. This should ensure the granting of equal opportunities, not special privileges. Collaboration and more efficacious coordination between national and international organizations are called for in the drawing up of specific policies concerning women and their needs as active participants in the world of business. Women entrepreneurs have not yet experienced the support of society for their business endeavours. Their backing at all levels would help to enhance their income and employment opportunities, as well as to make them economically independent and strengthen their position within their families and society. If all members of Albanian society were to take on their responsibilities and set out to do their duty, Albanian businesswomen, too, would be able to work harder to improve their status and achieve their greater emancipation through the enhancement of their professional and entrepreneurial competences. These conclusions and the data from which they are drawn

indicate that the promotion of women entrepreneurs could be directly fostered through support in the areas shown below.

A. TECHNICAL ASSISTANCE

It is suggested that the creation of a business centre for women by local support agencies, in conjunction with foreign sponsors and with NGOs working to promote women's enterprises, would help to meet the current needs of women entrepreneurs. Its aims would embrace market investigation, information and training.

B. FINANCIAL ASSISTANCE

Improvement of the banking system in general and lending arrangements in particular, and the creation of new lines of credit directed to the support of women entrepreneurs are necessary steps that would greatly expand the participation of women in business. Small loans or loans with easier terms for women should be made available to Albanian businesswomen, who otherwise remain excluded from many loan schemes.

C. CONTACTS WITH OTHER ORGANIZATIONS AND INSTITUTIONS

GTZ, UNDP, ILO, etc. should establish and/or increase their contacts with other organizations and institutions supporting women entrepreneurs, facilitate their exchange of information, ideas and experiences, and create possibilities for collaboration with local agencies, and with women's NGOs in particular. Communication between women's NGOs, the Government, lending institutions and donors can be facilitated through meetings and round-table discussions allowing each participant to consider the ways and means of coordination required to secure the wider involvement of women in business.

D. PARTICIPATION IN WOMEN'S NGOS

NGOs supporting women's entrepreneurship should endeavour to enlist a larger number of members into their ranks. This will make them play a greater role as the promoters of a more extensive movement in support of Albanian women entrepreneurs.

6.2 CONCLUSIONS AND RECOMMENDATIONS WITH REGARD TO WOMEN'S NGOS

- a) **Legislation and participation in economic policies:** The development of NGOs in Albania has been hindered by both the legal setting and the lack of a clear supporting stand on the part of the Government. Albanian legislation concerning NGOs has been insufficient to suit the requirements of an economy in transition. A policy and a strategy for their support are still lacking. The relationship between NGOs and the Government is a subject in which no one has extensive experience, and government policies with regard to NGOs have been merely sporadic. These difficulties are rendered evident by the scanty participation and involvement of business NGOs in the formulation of the country's economic policies. These NGOs have drawn up three recommendations relating to the creation of a policy and a socio-economic environment favourable to women.
 - i) The Government should abolish the legal restrictions that currently fetter the efforts of NGOs to support national development programmes and activities.

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- ii) The Government should consult NGOs and bear their mission in mind when elaborating economic policies for the development of business. It should also ensure closer cooperation with the grass roots in the practical application of its social and economic policies and its strategies for the development of the country.
 - iii) Improving the legal status and background of NGOs will strengthen their role in a democratic society.
- b) **Partnership:** The NGOs themselves are poorly coordinated despite the efforts of the Women's Centre to foster coordination and collaboration. Also, coordination between the Government and business NGOs in general leaves much to be desired. Powerful business associations such as BOBSH (Albania Union of Business Organizations) have been well to the fore in working out economic policies or alternative strategies for SME development. The participation of women in these organizations has been individual and spontaneous, and their membership does not include a single women's business association.

Suggestions for the consolidation of these partnerships:

- i) Relations with the Government can improve if they are founded on transparency and responsibility, since this will increase the confidence inspired by NGOs and enhance their credibility.
 - ii) Current coordination and cooperation mechanisms must be strengthened to stimulate the participation of women in business. A new form of collaboration between the Government and NGOs (e.g. regular meetings of their representatives) is required to secure coordination in the steps to be taken, reciprocal support, avoidance of duplicated actions, and ultimately in lowering operational costs.
 - iii) Involvement of women's business NGOs in the activities of related organizations is needed to facilitate the joint elaboration of measures to be taken, to avoid duplication of effort in dealing with the same problem, and to further reduce costs.
- c) **Identification of sources of funds:** Some NGOs have handled substantial amounts of donor funds in the implementation of their projects, whereas others (especially those outside Tirana) are short of financial resources and their logistics are inadequate. This is a consequence of the lack of information concerning the funds available, the range of sponsors operating in Albania and abroad, and contacts regarding similar organizations working in other countries. Another difficulty is posed by the lengthy procedures required for the analysis and approval of a project by sponsors. In addition, attempts to gain the support and financial commitment of the private sector have usually been insufficient.

Suggestions for the identification of funds:

- i) The identification and handling of funds by NGOs can be improved by providing specific training courses on subjects such as fund-raising and project planning for the specialized training of some of their staff.
- ii) Creation of a database or other mechanisms to facilitate the dissemination of information concerning the funds available. This information should cover sponsors, their policies, the countries in which they operate, and local, national, regional or international levels of their operations.

d) **The Network:** Creation of a coordinating network between women's business NGOs would promote an exchange of resources, experiences and achievements. The Women's Centre has often acted as a network in this respect. Today, however, the number of NGOs has increased and even if some attempts to form a network have been made, the necessary level of coordination has not been attained. The absence of coordination and information mechanisms has also resulted in the duplication of activities or projects.

Suggestions for the establishment of a coordination network:

- i) Constitution of a business NGO forum or committee with the participation of all business NGOs and a revolving directorate. This body would set up an NGO coordination and cooperation network and establish branches in other parts of Albania.
- ii) Creation of a national business NGO database.

APPENDIX 1

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APPENDIX 2

LIST OF ALBANIAN NGOS SUPPORTING WOMEN ENTREPRENEURS

Albanian Women's Independent Forum	Tirana
"Apollonia" Women's Association	Fier
Association for the Promotion of Businesswomen	Vlora
Association of Intellectual, Professional and Business Women	Tirana
Association of Women in the Professions and in Business, Businesswomen's Association	Tirana Korça
"Fashion at the service of women" Association	Tirana
"For the advantage of Albanian Women" Association	Tirana
Intellectual Women's Association	Puka
"Linda" Women Painters and Sculptors Association	Tirana
"Reflections" Association	Tirana
"The Law and Women's Rights" Association	Tirana
"The Women of Korça" Association	Korça
Women Jurists Association	Tirana
Women's Centre	Tirana
"Women who produce in transition" Association	Tirana

APPENDIX 3

DETAILS OF ALBANIAN NGOS PROMOTING THE PARTICIPATION OF WOMEN IN BUSINESS

TIRANA

1. “FOR THE ADVANTAGE OF ALBANIAN WOMEN” ASSOCIATION (SH, DGSH)

This is a non-political, non-profit humanitarian association founded in 1993 and entered on the Court register in 1995. Its president is Ms Sevim Arbana.

Structure: The Association is run by an Executive Board composed of the President, the Vice-President and the Legal Officer. It also has an executive committee with five members and a general council with 21 members. Its activities are conducted through four sections: Health, Labour, Culture and Education, and Foreign Relations. All its directors are University of Tirana graduates. The Association has about 800 members in all its branches.

Objects: The Association sets out to help women; provide social care for children, pensioners and poor and outcast women; fight against drugs and prostitution; develop rural areas, and further the employment of women. Its motto is “Help yourselves through your work”.

Operating level. The Association operates at the national level through its branches in the Shkroda, Burrel, Lezha, Kruja, Durres, Elbasan, Fier, Berat, Gjirokastra, Saranda and Korça districts.

Relations: The Association is on good terms with local NGOs. It is a member of the Albanian Non-governmental Organizations Forum (FOJQSH). It enjoys good relationships with the foreign organizations operating in Albania and its regular contacts with them have been of great importance in the accomplishment of its mission.

Funds: The Association’s funds come from foreign sponsors (e.g. HEKS, SGF, Vienna Caritas, NOVIB, Oxfam, the Canadian Embassy, the Dutch Embassy, the EU’s PHARE programme, UNDP, and FSHSHC), as well as from the monthly dues paid by its members (Lek 10 per month).

The Association’s main completed and ongoing activities are listed below.

A. ACTIVITIES COMPLETED

- A.1 A dental clinic with free treatment for needy women;
- A.2 The “Golden hands” shop;
- A.3 A management and marketing seminar;
- A.4 Seminars on “Rural women and a democratic Albania” held in several villages in the Tirana district;
- A.5 A study entitled “Prostitution in a hesitant society”;
- A.6 Monitoring centre for the collection of data on drug addicts and alcoholics;
- A.7 Building of a greenhouse in the village of Tapiza;

A.8 The “Teuta e re” women’s club (one of the Association’s major projects completed in September 1997);

A.9 Free meal services for 200 homeless children and pensioners.

B. ONGOING ACTIVITIES

B.1 Women’s Club activities.

B.2 Project for the fight against prostitution.

B.3 Project for the fight against drugs.

B.4 Flower greenhouse at Tapiza.

B.5 Centre for the vocational training and social integration of homeless children.

B.6 Free meal services for children and the elderly.

B.7 Establishment of three centres for minors and young adults in Durres and Pogradec.

B.8 Ecotourism, craftwork and vocational training centre at Shkodra.

The Association’s members believe that its current activities should be concentrated on two districts (Burrel and Shkodra) to help women to start up or improve an existing enterprise. The overall aim is to turn to the best advantage the craftwork typical of these districts and preferred by foreign markets, and to create jobs for many women in return for a small outlay.

Training: The President of the Association and its staff and members have attended training courses, but feel the need to further specialise in:

- Running an NGO.
- Fund management.
- Marketing.
- How to organize a community.

2. ALBANIAN WOMEN’S INDEPENDENT FORUM (FPGSH)

This is a non-political, non-profit association founded in 1991 and entered on the Court register in December 1995. Its president is Ms Diana Çuli.

Structure: The Association is run by an executive staff composed of five persons and a Council, also composed of five members. Its supreme authority is the General Assembly composed of representatives of members of the organization. The Association has about 500 members in all its branches.

Objects: Protection of women’s rights; awareness-raising with respect to women’s role and rights in the family and in society; women’s promotion through the establishment of organizations to address the new free-market system; and safeguarding of women’s rights and their interests in all government institutions and at all decision-making levels.

Specific aims: Attention to the health of mothers and children; family planning; opportunities for the vocational and cultural development of women; and the publication of newspapers and magazines.

Operating level: The Association has branches in the Tirana, Bulqiza, Lac, Puka, Lezha, Lushnja, Kruja, Durres, Elbasan, Fier, Peshkopi, Vlora, Gjirokastra, Saranda, Burrel and Pogradec districts.

Relations: The Association is on good terms with local NGOs. It is a member of the Albanian Non-governmental Organizations Forum (FOJQSH) and the Women's Centre. It has established good relationships with the foreign organizations operating in Albania, and its regular contacts with them have been of great importance in the accomplishment of its mission. It is also a member of Inter-Balkan Cooperation among Women, the Mediterranean Women's Forum and the International Women's Foundation.

Funds: The Association's funds mainly come from foreign sponsors (e.g. EST VENIR, CCF, the EU's PHARE programme, Democracy, NED, UNDP, Caritas-Austria and FSHSHC).

The Association's main completed and ongoing activities are listed below.

A. ACTIVITIES COMPLETED

- A.1 Promotion of democracy through the equality of women;
- A.2 Opening of the "Jonida" dressmaking business at Vlora;
- A.3 Opening of the "Alba" dressmaking business in Tirana;
- A.4 Opening a publishing business that produces books, brochures and magazines;
- A.5 Opening of a consultancy centre for women and girls;
- A.6 Distribution of humanitarian aid packs;
- A.7 "Support for handicapped children" project;
- A.8 Organization of the "Women as the actor of a democratic society" seminar.

B. ONGOING ACTIVITIES

- B.1 Participation of women in local government decision-making bodies;
- B.2. Promotion of women's rights;
- B.3 The "Jonida" dressmaking business at Vlora;
- B.4 The "Alba" dressmaking business in Tirana;
- B.5 The "Swift" centre for handicapped children;
- B.6 The "Dora d'Istria" publishing centre;
- B.7 Publication of the "Teuta" newspaper;
- B.8 Participation of women in the free-market economy.

The Association's members believe that it needs training programmes in various fields as well as funds to equip the new offices established in the branches created in other districts.

Training: The President of the Association and its staff and Council have attended training courses, but feel the need for further instruction in:

- Handling of funds;

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- How to start a business;
 - How to improve a business;
 - Preparation of a business plan.

3. THE ASSOCIATION OF WOMEN IN THE PROFESSIONS AND IN BUSINESS (SHGPA)

This is an independent, non-profit, non-governmental organization founded in 1993 and entered on the Court register in 1995. Its President is Ms Flutura Laknori.

Structure. The executive staff is composed of 2 persons. The management council is composed of 15 persons. All the directors are University of Tirana graduates. The association has a Legal Group, a Physicians Group, a Teachers Group, a Cultural Group and a Businesswomen Group, which comprises about 20 per cent of the members. Its activities are not confined to women entrepreneurs, since it is an association of women in the professions and those in business.

The SHGPA is the outcome of the collaboration and efforts of women in the professions and in business in Albania. Its aim is to contribute to the country's economic, political and social affairs. It has about 200 members with a variety of profiles working in several fields and throughout Albania.

Objects

- a) The further emancipation of Albanian women through strengthening of their personality, qualification, participation in political and social life, and organization in groups and associations.
- b) Women's empowerment in the exercise of their professions, by calling for application of the legislation in force and protecting women's rights.
- c) Identification, support and encouragement of women and girls in their entrepreneurial activity. Contribution in the sphere of training and bibliography for business problems.
- d) Organization of activities to facilitate contacts, exchanges of experiences, collaboration in the transition from small to medium-sized enterprises.

Operating level: The Association has branches in the Shkroda, Lezha, Kruja, Durres, Shijak, Elbasan, Rrogozhinë, Lushnja, Fier, Berat, Vlora, Selenica, Gjirokastra, Saranda, Tepelena, Korça and Pogradec districts.

Relations: The Association is on good terms with local NGOs. It is a member of the Women's Centre and the Albanian Non-governmental Organizations Forum (FOJQSH). It has established good relationships with the Centre for International Private Enterprises (CIPE) in Washington.

Funds: The Association's funds come from foreign sponsors (e.g. GTZ, ORT, CRS, SOROS, USIS, CAFOD and FSHSHC) and the dues paid by its members (Lek 3,000 to 10,000 per year).

GTZ (SME Promotion) has been the main sponsor behind the creation of infrastructures, the activities of the Association and the intensive training of its members.

The Association's main completed and ongoing activities are listed below.

A. ACTIVITIES COMPLETED

- A.1 Round-table meetings with women entrepreneurs from Durres, Tirana and Pogradec;
- A.2 Working meetings with the Association's women entrepreneurs on strategic policies concerning business;

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- A.3 Round table on the role of NGOs;
 - A.4 Publication of the magazine "... and businesswomen, too";
 - A.5 Seminars in the Shkodra, Tepelena, Korça and Durres districts.
 - A.6 Participation in the activities of the Women's Centre, CEEL, ORT, FOJQ, etc.
 - A.7 Collaboration for implementation of the "Promotion of the participation of women in election campaigns" project;
 - A.8 Four business training seminars with Italian experts at Tirana and Durres;
 - A.9 Completion of the "Partnership between local government bodies and NGOs underpins democracy" activity;
 - A.10 Round-table discussion on "Staying in business and the creation of new jobs attenuate the consequences of the losses of finance companies";
 - A.11 Training of SHGPA members in the GTZ project's courses on promotion, marketing, the business plan, accounting and taxes;
 - A.12 National study of Albanian women entrepreneurs;
 - A.13 Publication of a book entitled "The law protects me as well".

B. ONGOING ACTIVITIES

- B.1 Creation of a consultancy and training office;
- B.2 Publication of the magazine "... and businesswomen, too".

The Association's businesswomen are engaged in several sectors in various parts of the country. They use their own capital only, with minimum contributions ranging from three to ten million lek. About 100 would like to expand their business, some with the aid of loans, others with their own capital.

The members of the Association think that they need training courses in business, and facilitation in the granting of loans by lending institutions, and in the establishment of stable contacts with similar enterprises operating abroad so as to be able to identify new markets.

Training: The President of the Association and its staff and Council have attended training courses, but feel the need for further instruction in:

- Management of an NGO;
- How to formulate an NGO's policies;
- How to start a business;
- How to improve a business.

4. ASSOCIATION OF INTELLECTUAL, PROFESSIONAL AND BUSINESS WOMEN (SHGIPASH)

This is an independent, non-governmental, non-profit association founded in May 1993 and entered on the Court register in September 1995. Its president is Ms Rajmonda Gjencaj.

Structure. The Association is run by an Executive Council composed of four persons. All its directors are University of Tirana graduates. Its supreme authority is the General Assembly. The Association operates in Tirana and only a few of its 20 members run a business.

Objects:

- a) Promotion of the active participation of women in social and economic life;
- b) Promotion of women in the business sector and national and international cooperation;
- c) The protection of women's and children's rights.

Operating level: The City of Tirana only.

Relations: The Association is on good terms with the other NGOs in Albania. It is a member of the Women's Centre and the Albanian Non-governmental Organizations Forum (FOJQSH). It enjoys good relationships with the foreign organizations operating in Albania and is a member of the International Federation of Women in the Professions and in Business.

Funds: The Association's funds come from foreign sponsors (Global Fund Women, FIDATA and FSHSHC) and the dues paid by its members (Lek 100 per month).

The Association's main completed and ongoing activities are listed below.

A. ACTIVITIES COMPLETED

- A.1 Training of women entrepreneurs;
- A.2 Participation in the international seminar "Business - A privilege or a possibility?";
- A.3 The "Starting a business" project;
- A.4 A round table discussion on "Tolerance and collaboration";
- A.5 A seminar on "Women and their problems during the transition";
- A.6 A national seminar on "The family, traditions and the generations";
- A.7 Legislation and Albanian women;
- A.8 A seminar on "Similar problems, different experiences".

B. ONGOING ACTIVITIES

- B.1 "ABC Democracy" (Businesswomen's Centre);
- B.2 The dangers of drugs "Parents, save your children";
- B.3 Women, business and credit.

The members would like to have specific business training programmes and economic support in the form of loans from lending institutions.

Training: The President of the Association, its staff and Council and its members have attended training courses, but feel the need for further instruction in:

- How to obtain a grant;
- Marketing.

VLORA

ASSOCIATION FOR THE PROMOTION OF WOMEN'S ENTERPRISES (SHNBG)

This is an independent, non-governmental, non-profit association founded at Vlora in July 1994 through the initiative of 7 Vlora women and entered on the Court register in August 1994. Its president is Ms Ildis Brahimi.

Structure: The Association is run by an Executive Council composed of seven persons. All its directors are University of Tirana graduates. The SHNBG is the outcome of the collaboration and efforts of women to contribute to the country's economic and social affairs. Its slogan is "Stimulation of women in their entrepreneurial activities".

It has about 100 members of various ages and in various professions (students, managers, physicians and particular self-employed and unemployed women). Its activities are specifically linked to women's entrepreneurship and the promotion of businesswomen.

Objects.

- a) Encouragement of women entrepreneurs in the Vlora district and other parts of Albania;
- b) Protection of the rights of women engaged in private activities;
- c) Identification, support and encouragement of women and girls in their entrepreneurial activity;
- d) Technical assistance, training, consultancy and information on entrepreneurial issues for existing and would-be women entrepreneurs;
- e) Organization of trade fairs, especially those devoted to the presentation of typical craftwork.

Operating level: The Association operates in the Tirana, Gjirokastra, Vlora and Librazhd districts.

Relations: The Association is on good terms with other Albanian organizations. It is a member of the Women's Centre and the Albanian Non-governmental Organizations Forum (FOJQSH). It enjoys good relationships with 20 local and 10 foreign NGOs and its contacts with them have led to the accomplishment of its mission.

Funds: The Association's funds come from foreign sponsors (e.g. GTZ, CRS, ARZH-Vlora, SME and UNOPS) and the dues paid by its members (Lek 500 to 1,500 per year).

GTZ (SME Promotion) and ARZH-Vlora have been the main sponsors behind the activities of the Association and the intensive training of its women entrepreneurs.

The Association's main completed and ongoing activities are listed below.

A. ACTIVITIES COMPLETED

- A.1 Identification of unemployed women producing craftwork as housewives;
- A.2 Study of family planning;

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- A.3 Study of women running a private enterprise;
 - A.4 Study of the role of women entrepreneurs in a democratic society;
 - A.5 Study of partnership between business NGOs and local authorities;
 - A.6 Participation in seventy training seminars provided by local and foreign institutions and held both in-country and abroad;
 - A.7 Participation in round tables organized by ORT, QSHKE, GTZ, SMEDA and other institutions;
 - A.8 Organization of the Vlora craftswomen's fair;
 - A.9 Creation of a database for self-employed women;

B. ONGOING ACTIVITIES

- B.1 Training programmes for women entrepreneurs in conjunction with GTZ (SME Promotion) and AZRH-Vlora;
- B.2 Periodic provision of information for women entrepreneurs (creation of an information centre);
- B.3 Institutionalization of the Association and increase of the number of its members;
- B.4 Various activities on the part of members of the Association.

The following measures are being proposed by the members as ways of contributing to the participation of women in business:

- i) Creation at Vlora of a business incubator reserved for women within the compass of the identification of a special fund for the establishment of craft workshops for women working at home;
- ii) Creation of more favourable conditions for women intending to go abroad (issue of visas);
- iii) Possibilities of contacts and exchanges of experiences with similar enterprises that would result in expansion of the market;
- iv) Equal opportunities for the granting of loans, facilitation in the form of relatively low interest rates, and establishment of a specific fund for women;
- v) Equal opportunities for employment in managerial and decision-making institutions.

Training: The President of the Association, its staff and Council and its members have attended training courses, but feel the need for further instruction in:

- Marketing;
- Albania's taxation system;
- The search for funds;
- Cash flow;
- Getting to know the computer.

KORÇA

Unlike other districts, Korça had already constituted a Centre for Assistance in the Organization of an Enterprise in September 1997, with the aid of a grant from ORT (The network for democracy). This Centre was run by an Executive Council composed of nine members representing all the business organizations operating in the Korça district.

The Centre's priorities were:

- a) The grouping of business organizations;
- b) Training of its staff and entrepreneurs;
- c) Strengthening of business organizations;
- d) Institutionalisation of the relationships of business organizations with local or central authorities.

In spite of all recent upheaval in Albania, this was a profitable experience which shows that business organizations can work together. At present, this Centre is inoperative and is not undertaking any activities. As an initial experiment in the setting up of a business organizations network it needed the support of both sponsors and business organizations themselves so as to be able to institutionalise and carry on its activities, which could have influenced various regional developments. Only one of the nine business organizations active at Korça represents the interests of women entrepreneurs in the Korça district, namely the Businesswomen's Association. In addition, the "Women of Korça" association and branches of the Association of Women in the Professions and in Business, and the "For the advantage of Albanian Women" association (both from Tirana) operate in the area.

THE BUSINESSWOMEN'S ASSOCIATION (SHGB)

This is an independent, non-governmental, non-profit association entered on the Court register in October 1995. Its president is Ms Gjonovefa Llanpanxha. Structure. The Association is run by an Executive Council composed of three persons. All its directors are University of Tirana graduates. Its supreme authority is the General Assembly. The SHGB is the outcome of the collaboration and efforts of women entrepreneurs in the Korça district to contribute to the country's economic and social affairs. Its slogan is "Stimulation of women in their entrepreneurial activities". The SHGB has 16 members. They are women entrepreneurs operating in various sectors, mainly at Korça itself.

Objects:

- a) Support of women entrepreneurs operating in the Korça district;
- b) Protection of rights of women working in the private sector.

Operating level: Local.

Relations: The Association is on good terms with other NGOs active in the Korça district. Its regular contacts with the other organizations have contributed to the accomplishment of its mission.

Funds. These mainly stem from the dues paid by its members (Lek 3,500 a month).

It has not yet been the recipient of a grant from foreign or local sponsors. The ORT funded the constitution of the Centre for Assistance for Business Organizations in which the Association was engaged.

The Association's main completed and ongoing activities are listed below.

A. ACTIVITIES COMPLETED

- A.1 Regional contacts with women entrepreneurs;
- A.2 Contacts with local authorities;
- A.3 Training programmes for businesswomen in conjunction with ARZH-Korça;

B. ONGOING ACTIVITIES

- B.1 Training programmes for women entrepreneurs in conjunction with ARZH-Korça;
- B.2 Regional contacts with women entrepreneurs;
- B.3 Regular contacts with the local government, central government and Members of Parliament to look for solutions to the problems encountered.

The members of the Association operate in various business sectors with their own capital ranging from USD 1,000 to 200,000. About 70 per cent would like to expand their business and for this reason desire assistance in the form of business management training courses and facilitation on the part of banks in the granting of loans.

Training: The President of the Association, its staff and Council and its members have attended training courses, but feel the need for further instruction in:

- Preparation of a business plan;
- Motivation;
- Calculation of costs;
- How to start a business;
- How to improve a business;
- Management of an NGO.

SEED WORKING PAPERS

1. “Home Work in Selected Latin American Countries: A Comparative Overview” (*Series on Homeworkers in the Global Economy*), Manuela Tomei, 2000
2. “Homeworkers in Paraguay” (*Series on Homeworkers in the Global Economy*), María Victoria Heikel, 2000
3. “Homeworkers in Peru” (*Series on Homeworkers in the Global Economy*), Francisco Verdera, 2000
4. “Job Quality and Small Enterprise Development” (*Series on Job Quality in Micro and Small Enterprise Development*), 1999
5. “The Hidden MSE Service Sector: Research into Commercial BDS Provision to Micro and Small Enterprises in Viet Nam and Thailand”, Gavin Anderson, 2000
6. “Home Work in Argentina” (*Series on Homeworkers in the Global Economy*), Elizabeth Jelin, Matilde Mercado, Gabriela Wyczykier, 2000
7. “Home Work in Brazil: New Contractual Arrangements” (*Series on Homeworkers in the Global Economy*), Lena Lavinias, Bila Sorj, Leila Linhares, Angela Jorge, 2000
8. “Home Work in Chile: Past and Present Results of a National Survey” (*Series on Homeworkers in the Global Economy*), Helia Henríquez, Verónica Riquelme, Thelma Gálvez, Teresita Selamé, 2000
9. **“Promoting Women’s Entrepreneurship Development based on Good Practice Programmes: Some Experiences from the North to the South”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Paula Kantor, 2000
10. “Case Study of Area Responses to Globalization: Foreign Direct Investment, Local Suppliers and Employment in Győr, Hungary” (*Series on Globalization, Area-based Enterprise Development and Employment*), Maarten Keune, András Toth, 2001
11. “Local Adjustment to Globalization: A Comparative Study of Foreign Investment in Two Regions of Brazil, Greater ABC and Greater Porto Alegre” (*Series on Globalization, Area-based Enterprise Development and Employment*), Glauco Arbix, Mauro Zilbovicius, 2001
12. “Local Response to Globalization: MESTA Region, Bulgaria” (*Series on Globalization, Area-based Enterprise Development and Employment*), Hanna Ruszczuk, Ingrid Schubert, Antonina Stoyanovska, 2001
13. “Ethnic Minorities — Emerging Entrepreneurs in Rural Viet Nam: A Study on the Impact of Business Training on Ethnic Minorities”, Jens Dyring Christensen, David Lamotte, 2001
14. **“Jobs, Gender and Small Enterprises in Bangladesh: Factors Affecting Women Entrepreneurs in Small and Cottage Industries in Bangladesh”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Nilufer Ahmed Karim, 2001
15. **“Jobs, Gender and Small Enterprises: Getting the Policy Environment Right”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Linda Mayoux, 2001
16. “Regions, Regional Institutions and Regional Development” (*Series on Globalization, Area-based Enterprise Development and Employment*), Maarten Keune, 2001
17. “ICTs and Enterprises in Developing Countries: Hype or Opportunity?”, Jim Tanburn and Alwyn Didar Singh, 2001

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18. **“Jobs, Gender and Small Enterprises in Africa and Asia: Lessons drawn from Bangladesh, the Philippines, Tunisia and Zimbabwe”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Pamela Nichols Marcucci, 2001
 19. **“Jobs, Gender and Small Enterprises in the Caribbean: Lessons from Barbados, Suriname and Trinidad and Tobago”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Carol Ferdinand (ed.), 2001
 20. **“Jobs, Gender and Small Enterprises in Bulgaria”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Antonina Stoyanovska, 2001
 21. **“Women Entrepreneurs in Albania”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Mimoza Bezhani, 2001

Note: Working Papers in the WEDGE Series are in bold.