



**USAID**  
FROM THE AMERICAN PEOPLE

# Millennium Challenge Albania

## Threshold Agreement PROJECT FACT SHEET Improving Accountability, Transparency, Public Access, and Efficiency



**The Prime Minister and the U.S. Ambassador greet business representatives who completed their registration at NRC.**

PHOTO: CHEMONICS INTERNATIONAL

### OVERVIEW

The Government of Albania's two-year \$13.85 million threshold agreement with the Millennium Challenge Corporation (MCC, [www.mcc.gov](http://www.mcc.gov)) aims to reduce corrupt practices, reduce the 'informal' economy, and improve the investment climate through a program of IT-based solutions, technical and legal assistance. If achieved, the program goals for improved tax administration, public procurement, and business registration will help qualify Albania for MCC compact status.

**Tax Reform Component:** Key initiatives include: new tax administration legislation for improved efficiency, more collections, and less tax inspector contacts; a Taxpayer Service Center for the Tirana region; a new and comprehensive tax web site for streamlined service and fewer visits to tax offices; and an e-filing and e-payment option for saving time and money, as well as for convenience.

**Public Procurement Component:** Key initiatives include building professional and IT capacity within the Public Procurement Agency to conduct transparent public procurements based on public access to a new web-based tender process and awareness of the new public procurement legal framework.

**Business Registration Component:** Key initiatives include a new business registration law and the creation of a 'one stop shop' National Registration Center that reduces entrepreneurs' time and costs required to register a new business.

### RECENT HIGHLIGHTS:

- Following discussions with the business community, the Ministry of Finance finalized the draft tax procedures law that streamlines tax administration and provides legal basis for 'e-filing' and 'e-payment' of taxes. The draft law will be submitted to the Parliament in early 2008.
- E-procurement,'e-registration' 'e-filing,' systems are in use. E-procurement, when fully operational, will save the government administrative costs estimated at 12%-15% of the value of its total EUR 1.1 billion annual procurement bill.
- More than 720 public procurement officials received training from the Public Procurement Agency on the public procurement new law and regulations.
- National Registration Center (NRC) opened on September 3, 2007. NRC offers 'one-day, one-stop' service for business registration as well as tax, social insurance and labor registration, a process that averaged 47 days previously.

**MILLENNIUM CHALLENGE ALBANIA  
THRESHOLD AGREEMENT  
PROJECT OFFICE**  
**Classic Construction Building**  
**"Pjetër Budi" Street, 1<sup>st</sup> floor, no. 10**  
**Tirana, Albania**  
**Tel. +355-4-380-400**  
**Fax. +355-4-380-424**  
**E-mail. [office@mcaata.org.al](mailto:office@mcaata.org.al)**

**PROJECT DURATION :**  
**September 2006-September 2008**

U.S Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)