

DECISION

FOR THE ESTABLISHMENT OF THE FUND FOR SUPPORT OF SOCIAL ENTERPRISES AND SUPPORT FORMS BY SUBSIDIARIES FOR SOCIAL ENTERPRISES

Pursuant to Article 100 of the Constitution and point 2 of Article 26 of Law No.65 / 2016 "On social enterprises in the Republic of Albania", upon the proposal of the Minister of Health and Social Protection, the Council of Ministers

DECIDED:

1. Establishment of the Social Enterprise Support Fund, with a total value of 249,760,000 (two hundred and forty-nine million seven hundred and sixty thousand) ALL for the period 2019-2021.
2. The value of the fund for the first year shall be 61 600 000 ALL for the second year, 82 920 000 (eighty-two million nine hundred and twenty thousand) ALL and for the third year, 105 240 000 (one hundred and five million two hundred and forty thousand) ALL.
3. The Subsidies Fund for Subsidiary Subsidies:
 - a. the activity of social enterprises;
 - b. new jobs created for the employment of individuals from disadvantaged groups;
 - c. compulsory social and health insurance of social enterprise employees belonging to disadvantaged groups.
4. The Fund for Social Enterprise Support shall be distributed as follows:
 - a) 135,000,000 (one hundred thirty-five million) ALL for subsidizing the activity of social enterprises;
 - b) 37,000,000 (thirty-seven million) ALL for the creation of new jobs;
 - c) 7,776,000 (seven million seven hundred and seventy-six thousand) ALL for compulsory social and health insurance of social enterprise employees belonging to disadvantaged groups.
5. The Fund for Social Enterprise Support is funded by:
 - a) the state budget;
 - b) other sources of funding (donors, international financial institutions, etc.).
6. The Fund is intended to support the entity that has been recognized as a social enterprise.
7. The Social Enterprise Support Fund benefits social enterprises that submit a project proposal or business plan, demonstrating that the items foreseen for support are important for the development and expansion of their business.
8. Subsidies for the development of the activity benefit social enterprises that present a business plan that justifies the achievement of the target objectives. The Fund covers up to 70% (seventy per cent) of the received costs, but not more than 1 500 000 (one million five hundred thousand) ALL, if the entity is able to finance the remaining share of the investment.
9. The costs incurred, according to point 8 of this decision, are included in the costs:
 - a) for investments in machinery and equipment for the realization of production / service;

- b) for qualification and training to increase the professional skills of new employees from the categories of disadvantaged groups;
 - c) for coverage of up to 50% (fifty percent) of the minimum wage for new employees from disadvantaged groups, for a six-month period.
10. In order to benefit from subsidies for the development of a business, a social enterprise must meet the following conditions:
- a) the status of social enterprise has been recognized by order of the minister responsible for social affairs;
 - b) have a business plan or project and be capable of full and timely implementation of the proposed activities / activities;
 - c) Minimally hire 3 (three) new employees from the categories of disadvantaged groups within 12 (twelve) months from the moment of subsidies for the development of the activity in the social enterprise.
11. The payment of the subsidy received, according to the provisions of point 8 of this decision, becomes 70% (seventy percent) with the approval of the application and 30% (thirty percent) at the end of the project versus the invoice which verifies the expenses incurred. A socially-owned enterprise, at all times of its activity, benefits only one time the subsidy, according to the provisions of point 8 of this decision.
12. Subsidies for job creation benefit those socially-owned enterprises that present proposals that reflect increasing the number of employees with representatives from disadvantaged groups and need funds that partially cover the costs of creating a new country of employment work. For each new job site, enterprises can benefit up to 100,000 (one hundred thousand) ALL, which should be used for work tools, raw materials and consumables. Granting the subsidy is conditioned by the employment of persons from the categories of disadvantaged groups and the duration of the contract is not less than two years.
13. 13. The payment of the subsidy received, according to the provisions of point 12 of this decision, becomes 50% (fifty per cent) with the approval of the application and 50% (fifty per cent) after the execution of the expenditures, against the invoices submitted verify the expenses incurred. A social enterprise can benefit from opening up to 20 (twenty) new jobs.
14. Social enterprises, which hire persons from disadvantaged groups, may benefit from compulsory social and health insurance subsidies. A socially-owned enterprise can receive annual funding of up to 100% (one hundred percent) of compulsory social and health insurance, part of the employer's and employee's contribution, provided that the duration of the employment contract is not shorter than two years. This funding is made directly to the social insurance branch, according to the relevant procedures.
15. Social enterprises that apply for subsidies of various forms defined in this decision should not have violated labor and tax legislation regarding obligations to employees as long as they perform the activity.

16. The subsidies of socially-owned enterprises, in one of the forms set forth in this decision, do not condition their right to benefit from other forms of support through:
- Social Fund;
 - Creative Economy Fund (Handicraft);
 - Albanian Competitiveness Fund;
 - Tourist Entrepreneurship Fund;
 - Program Fund for Agriculture and Rural Development;
 - Microfinance Enterprises, Small and Medium Enterprises, which operate in tourist/historic areas;
 - Other funds that support and finance social enterprises and areas of their activity;
 - Employment promotion programs for disadvantaged groups.
 - The total amount of aid granted to a socially-owned enterprise, provided by the forms of State budget support set out in paragraphs 4 and 16 of this Decision, shall not exceed 14 000 000 (fourteen million) ALL for one period of three years.
17. The total amount of aid granted to a socially-owned enterprise, provided by the forms of State budget support set out in paragraphs 4 and 16 of this Decision, shall not exceed 14 000 000 (fourteen million) ALL for one period of three years.
18. Social enterprises applying for any of the forms of subsidy must, together with the request and the project proposal, submit the documentation, as follows:
- a) The court decision on registration as a non-profit organization;
 - b) tax identification number (NIPT);
 - c) proof of payment of social and health insurance contributions issued by the relevant tax authority;
 - d) bank account number;
 - e) Verification by the taxation branch, where the non-profit organization exercises its activity, for the payment of tax liabilities for as long as the activity is performed but no longer than for a one-year period from the moment of application;
 - f) Information on:
 - i. the number of employees;
 - ii. the type of activity it performs;
 - iii. the level of remuneration provided to each person;
 - iv. inspection acts, if any;
 - v. other forms of support provided by the state;
19. The Minister responsible for social affairs establishes the appraisal committee of social enterprise applications for the benefit of subsidies and determines the composition, rules of organization and functioning.
20. Subsidized social enterprises report to the ministry responsible for social issues related to the use of the subsidized benefit. The deadlines and forms of reporting are defined by the Minister's instruction.
21. The financial effects stemming from the implementation of this decision are borne by the approved budget for the Ministry of Social Affairs, which creates a special voice for this purpose.

22. The Minister of Health and Social Protection is charged with issuing instructions on grant criteria and state aid monitoring mechanism as well as sanctioning in case of non-fulfillment of obligations and obligations by social enterprises.

This decision enters into force after its publication in the "Official Journal".

K R Y E M I N I S T R I

ED I R A M A