



USAID CATALYZE

FINAL REPORT: FOOTWEAR & APPAREL LOAN PROJECT (FALP)

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Founded from the USAID on 1998, NOA has transformed throughout the years into a leading privately held financial institution with 333 employees, 29 branches and appx. EUR 86 million of active loan portfolio (EOY23), dedicated to small entrepreneurs & businesses, farmers and financially excluded families, in line with socially responsible & human finance principles.



This document is prepared by NOA staff. The information presented in this report has been compiled based on the progress of the implementation of the project, the disbursements made during the period February 01, 2023, to July 31, 2024 as well as all other deliverables as project KPI.

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ABSTRACT

This report aims to present an overview of the implementation of the Footwear and Apparel Loan Project (FALP) in Albania, and the overall impact it had over the sector in a highly challenging and fluctuating context. The report details the different project phases, the specific objectives set and the concrete results that were achieved during the FALP implementation period. It also points to future developments on how a long-term sustainable model could be embraced to institutionally capitalise on the numerous lessons learned. The general findings of the report tend to suggest that the FALP initiative was an unexpected “fuse” for numerous beneficiary companies that could have declared bankruptcy if they did not have had access to the FALP financing. The report shows how important skill and technological upgrading are for high-growth W-SMEs that tend to specialise in one specific product and/or one specific geographical market. By combining a highly flexible financial product, with a technical advisory component - a first time for the Albanian garment and footwear market - FALP reflected the importance of similar instruments that can be delivered only by financial institutions serving a specific developmental goal. It showed that microfinance still serves as a transitional gate for W-SMEs to become bankable.

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ACRONYMS

USAID	United States Agency for International Development
GF	Guarantee Fund
FALP	Footwear and Apparel Loan Project
W-SMEs	Women Small and Medium Enterprises
ADGF	Albanian Development Guarantee Fund
WB	World Bank
ILO	International Labor Organisation
DIHA	Deutsche Industrie und Handelsvereinigung in Albanien
AIDA	Albanian Development Investment Agency
FIAA	Foreign Investors Association of Albania
AIC	Albanian Investment Council
SIDA	Swedish Development Cooperation Agency
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
UET	European University of Tirana
GADC	Gender Alliance for Development Center
KfW	Kreditanstalt für Wiederaufbau
AICS	L'Agenzia Italiana per la Cooperazione allo Sviluppo AGF Fundfor SME
IFC/WB	International Financial Corporation/World Bank
EBRD	European Bank for Research and Development
UNDP	United Nation Development Programme
EU	European Union
SIPPO	Swiss Import Promotion Programme
FRLC	First Loss Risk Cover
CBS	Creative Business Solution
EoG	Engine of Growth

EXECUTIVE SUMMARY

Companies operating in the footwear and apparel sector in Albania are spread unevenly across the country, with a concentration in the Tirana–Durrës–Vlora axis. The companies are mainly located in peri-urban areas and are managed predominantly by Albanian business executives, while their partners are primarily based in the EU, particularly Italy. They are mainly export-driven and cover all segments, from luxury to entry-level products. Few companies own their own ‘brands’ and work mainly as sub-contractors. The level of equipment appears to be satisfactory but with untapped potentials to upgrade.

This market and geographical concentration appear to have been a structural positive characteristic of the sector allowing for a high-growth tendency in the last years. But it is this same attribute that was also a disadvantage. The recent currency fluctuation crisis showed how challenging it was for the companies operating in the sector to normally preserve their operations.

If one compares the figures on the number of businesses and employees in these sectors for the years 2023 and 2024, a decrease in both is evident. Specifically, the number of businesses in 2023 was 740, while by June 2024, this number had decreased to 690. The number of employees has also dropped, from 75,000 in 2023 to 61,000 in June 2024.

Through FALP, as part of the CATALYZE EOG initiative, NOA undertook efforts to improve access to finance for SMEs operating in the Albanian footwear and apparel sector by creating a dedicated, innovative loan product with no collateral requirements. This initiative was accompanied by technical assistance, direct advisory services, and training for beneficiary SMEs and other interested businesses in the sector.

The project had a significant impact on women, both in terms of entrepreneurship and employability. In the first dimension, the project targeted at least 60% of the total apparel and footwear SMEs in the sector, with a special focus on those managed or owned by women. In the second dimension, as the sector employs more than 90% women, financing these SMEs had a substantial impact on women's job creation and preservation.

NOA's initial objective was to inject 3.5 million USD into the sector, supported by NOA's own fundings, leveraging the potential of the proposed EOG instrument as described in the initial project proposal. The identified sector, being a flagship of the Albanian exports, with numerous high-growth companies and potentials for technological/production upgrades.

However, due to drastic fluctuations of the exchange rate (two-digits devaluation of the Euro), the increase of wage levels, and the rising operational costs for businesses, the situation changed intensely in a totally unexpected manner during the FALP project implementation phase.

As a result of these increased costs, businesses became less competitive in European markets, which was their largest export market. This led to a reduction in production capacities, the loss of contracts with European partners, and other impactful challenges.

While the initial objective of the FALP product was to support the expansion of these companies, it actually served as a “fuse” to guarantee V-SMEs survival, job-preservation, normal operations but also in some cases, the modernisation of their production line in order to become more market-resilient.

From the perspective of NOA, this is a considerable success as it specifically falls within its mission and goal to serve access to finance for entrepreneurs and businesses that are not able to reach to traditional banking means.

The FALP model was an innovative and highly flexible solution that demonstrated the importance of such products for developing countries/markets like Albania. It achieved to inject an important amount of private capital in a highly ‘distressed’ moment, thus over-surpassing its initial objective. This fact alone should be enough to support the opening of a debate on whether Albania should have a similar nation-wide instrument supporting ambitious or striving V-SMEs and entrepreneurs.

RECOMMENDATIONS:

- Financial instruments targeting SMEs, serving a development purpose, shall be accompanied by technical advisory services,
- Business associations shall be given more responsibilities in assessing, drafting and promoting tailor-made financial products supporting high-growth/priority sectors;
- A nation-wide purpose driven Guarantee Fund supporting non-collateralised loans for banks and non-bank financial institutions shall be considered as a policy priority;
- Having a loan is still seen in Albania with a negative perception, implying the need for the country to continue investing in financial literacy and entrepreneurial success stories;
- There are few donor-backed attempts trying to introduce guarantee schemes/financial instruments for priority sectors but that don’t succeed, partially because they are not aligned in a federative approach – a cooperative network needs to be established in this regard;
- Public institutions shall have a more inclusive approach when addressing sectorial policies by ensuring that all involved actors and existing frameworks are adequately consulted;
- On the business side, small-investments, especially in the renewable energy sector, may be exempted from VAT (on purchases) while being supported financially or technically; purchase of innovative industrial machinery depreciation index may be increased from the current rate of 20% to 40%; a federative marketing effort, for both in terms of product sales and staff hiring is recommended, particularly towards international markets;

INTRODUCTION

The beginnings of the FALP project date back to November 1st, 2022, when the agreement between NOA and Palladium International, LLC was signed. The official start of the project was announced on January 26, 2023, during a kick-off conference organized by NOA in cooperation with the Palladium EoG CATALYZE program. The conference saw considerable participation from businesses, donors, universities, and experts.

The agreement between the parties includes NOA's commitment to develop a new loan product for the footwear and apparel sector, an industry predominantly owned, led, or serving women (W-SMEs), to help overcome the constraints these businesses face in accessing investment and working capital. NOA's existing loan portfolio only allows SMEs to access uncollateralized loans if the loan amount is less than €25,000, which is a limiting factor for most companies in the footwear and apparel sector. These companies often lack collateral because they rent factory space and do not have assets that banks accept as collateral. However, SMEs need capital to invest in more sewing and cutting machines, as well as working capital to finance the production of orders they receive from buyers.

The new loan product was designed to allow SMEs to obtain loans of up to €75,000 (or the equivalent in local currency (ALL)) without providing collateral. According to the initial agreement, NOA planned to issue up to \$3.5 million in new loans by the end of July 2024 to approximately 50-70 SMEs using this new loan product. However, due to significant changes in the Albanian economy, as mentioned in this report, the agreement was reviewed, and the value of the disbursements was redefined to \$2 million.

Additionally, under the agreement, NOA has committed to delivering technical assistance to SMEs to enable this financing, helping them attain product certifications, reach new markets, and access other management consultancy services.

For the sustainability of the project, it has also been agreed that NOA will build and implement a guarantee fund to ensure risk mitigation and sustainable lending to underserved segments of the Albanian economy. The initiative also leverages stakeholder collaboration to foster a supportive financial ecosystem.

THE PROJECT

Expected deliverables & project implementation:

- 1) **Sector mapping:** Assessment of over 150 SMEs to determine what their financing constraints are now, what type of financing they need, what other support they require in product and market development
- 2) **New loan product developed:** the new loan product will be developed directed towards the footwear & apparel sectors, with loans starting at €25,000, averaging at € 75,000 (or equivalent in local currency (ALL)) not requiring collateral.
- 3) **Marketing campaign delivered:** a marketing campaign delivered informing SMEs about the new product and reach as many eligible SMEs as possible. USAID branding to be included in the promotional campaign
- 4) **Guarantee Fund report:** Report based on consultations with stakeholders that proposes a long-term external or internal solution on how to reduce collateral requirements for loans to the footwear & apparel sector or another sector where there is a large proportion of W-SMEs. The report will propose how the CATALYZE incentive (12% of loan principal) will be

used to offset lending requirements. The report must include viable solutions, including required resources, and approach to implementation.

5) Technical assistance to women in SMEs: Training/mentoring provided to 70 SMEs to improve their production capabilities or marketing.

6) Deployment of funds: Up to \$ 2 million in loans will be issued to companies with the new loan product

7) Reports:

- **Quarterly reports:** Progress Reports sent by the end of each quarter presenting aggregate information about number of SMEs that received training, number of contracts signed with SMEs, amount of financing deployed to SMEs, and promotional activities undertaken.
- **Final report will include:**
 - a) % change in annual sales for each of the MSMEs, whereby the baseline year is the year when the investment was made.
 - b) % change in fulltime equivalent employees for each of the MSMEs, whereby the baseline year is the year when the investment was made. Percentage increase in employment of women.
 - c) Value of debt or equity investments made in MSMEs.

I. SECTOR MAPPING

The purpose of the initial project survey was to obtain a clearer view of the sector's situation, including its production capacity, technological condition, and financing needs to remain competitive and ensure future growth and sustainability. The survey was designed for manufacturing enterprises and distributed to 180 members of PROEKSPORT Albania, the leading business association for the leather and textile sector.

The survey specifically focused on economic growth, sector trends, innovation and infrastructure, responsible production and consumption, and ESG criteria. It aimed to identify gaps in productivity, human resources, equipment, technology, digitalization, and lean manufacturing. The ultimate objective was to work together towards securing financing opportunities, improving the performance of enterprise managerial staff, enhancing the skills of the labour force, upgrading technology according to the sector's actual needs, ensuring more decent working conditions, fostering better workplace cooperation, increasing productivity and employment, and improving energy efficiency.

The targeted sample size for the survey was 151 enterprises. The questionnaire, drafted and submitted for the survey, included four categories of questions:

- General Information
- Business activity
- Financial needs
- Needs for trainings and technical assistance

After the questionnaire was distributed online, a total of 99 enterprises responded. The survey was then supplemented by telephone interviews with 52 enterprises that did not respond online, bringing the total number of respondents to 151 enterprises.

The size of the enterprises and their position in the supply chain are expected to correlate positively with working conditions, innovation, the application of international production standards, and the adoption of lean manufacturing practices. This includes resource efficiency, cleaner production, and a commitment to the circular economy, as well as the willingness and readiness to work toward these goals and to make further investments.

This purposeful sample size represents about 22% of textile, clothing, leather, and footwear enterprises employing 10 or more workers, and approximately 84% of PROEKSPORT Albania members, the only association of textile and garment enterprises in Albania. Among the enterprises that participated in the survey, 70% are involved in textile and garment production, while 30% are engaged in leather, footwear, or other categories of production.

The sampling was both random and purposeful, allowing it to effectively represent the sector's situation and needs on a broad scale.

I.1. Survey results and findings

In 2022, the apparel and footwear manufacturing sector in Albania had over 740 active factories and enterprises, ranging from large to small, employing more than 75,000 workers. This industry contributed about 40% of the country's exports, with a value exceeding 950 million euros.

These enterprises operate under various business models or production modalities, including:

- Make only: Sewing only.
- Cut only: Cutting process only.
- Cut, make, and trim: Manufacturers cut the fabric, make the clothes according to the design, and trim them, with designs and raw materials provided by the customer.
- Full cycle: Design is included.
- Own collection: Own brand and private label.

The distribution of enterprises participating in the survey correlates with the geographic distribution of enterprises in the country, as indicated by national official data. The main cities where these activities are concentrated include Tirana, Shkoder, Durrës, Krujë, and Berat.

The survey revealed that most enterprises operate in rented premises; 38% own their premises, and only 1% use contracts for property exploitation.

Approximately 56% of the enterprises have been established in the market for more than 10 years, indicating they are well-established in the sector. Only 6% are new, with 1-2 years of activity, while the majority are older enterprises.

Among the enterprises that participated in the survey, 27 are owned by females, and 70 are owned by males.

Regarding ownership, 79% of the enterprises have Albanian ownership, 15% have foreign ownership, and 6% are jointly owned. According to the survey, more than 95% of the workforce in the sector is female.

The most purchased or invested-in machinery and equipment in the sector, at 97%, is owned by the enterprises themselves, with only 3% owned by subcontractors. Additionally, 71% of the equipment

and machinery was purchased by the owners with their own capital; 13% was purchased through bank loans that have been fully paid off, and 16% of Albanian owners have purchased machinery with loans that have not yet been repaid.

To transform production processes, support for the purchase of innovative industrial machinery by increasing the depreciation index from the current rate of 20% to 40% is recommended. This would reduce the tax burden on enterprises, giving them more liquidity.

The lack of employees is frequently cited by enterprises as one of the sector's main current issues. Some enterprises have started considering hiring foreign workers; 10 enterprises reported that they have already done so.

Regarding the typology of production, 70% of the enterprises operate in the garment manufacturing subsector, 22% in the footwear subsector, and 8% in other product categories such as textiles, home textiles, and technical textiles.

About 50% of the companies plan to expand their export markets, preferably to Western Europe, while 42% of enterprises plan to diversify their product portfolios.

The survey showed that export values in euros for the enterprises were distributed as follows: 33% between 500,001 - 1,000,000 euros; 35% over 1,000,000 euros; 15% between 300,001 – 500,000 euros; 10% between 200,001 - 300,000 euros; and 7% less than 200,000 euros. Additionally, 65% of the enterprises face difficulties in receiving payments from their clients. The sector as a whole faces various challenges that make it vulnerable, especially during crisis periods such as the COVID-19 pandemic, earthquakes, and the invasion of Ukraine. The main issues enterprises face in meeting their obligations are: 44% struggle with wage payments for workers; 50% with taxes or social insurance payments; 13% with bank or financial institution loans; and 26% have difficulties paying their suppliers. When asked if they need more financing, 50% of enterprises responded that they do. Of these, 14% are ready to seek financing up to 75,000 euros; 9% up to 100,000 euros; 19% between 100,000 – more than 200,000 euros; and 9% up to 50,000 euros.

The financing that enterprises seek is primarily intended for investments in technology (51%); 39% for energy-saving plans/equipment/technology; 35% for working capital/raw material purchases; 10% for staff training; 8% for ISO certification; 40% for equipment and machinery, vehicles; and 38% for increasing the labor force.

Of the 40.2% of enterprises seeking investments in equipment and machinery, the purposes are as follows: 53% for increasing productivity, 41% to replace old and depreciated machinery, 45% for investing in modern technology, 27% for production diversification, and 2 enterprises for paying off existing loans.

Regarding the amounts they are ready to request, 45% of enterprises seek between 25,000 – 50,000 euros, 9% up to 75,000 euros, 16% less than 25,000 euros, 13% up to 100,000 euros for new technology and equipment, 9% between 100,000 and 150,000 euros, and 8% more than 150,000 euros.

36% of the enterprises are ready to invest in solar panels; 12% in reconstructing business premises; 11% in constructing and repairing existing buildings; and 41% do not plan to invest in reconstruction.

There is a tendency among most enterprises to avoid investing in buildings, likely because many operate in rented premises. 45% of enterprises are not ready to invest more than 25,000 euros in

buildings, 25% can invest between 100,000 and 200,000 euros, and 30% up to 100,000 euros.

Regarding the repayment length of loans, 70% are interested in loans with a term of more than 3 years, 26% up to 3 years, and 4% up to 2 years.

If required to provide collateral for a loan, enterprises indicated that they would use the following types of collateral: 45% would use their machinery and equipment, 13% vehicles, 12% mortgages, and 30% of enterprises indicated no interest in providing collateral.

Enterprises that receive loans expect to increase their workforce: 29% expect to add 21 – 30 employees; 20% between 11 and 20 employees; 7% between 5 and 10 employees; 12% between 31 – 50 employees; 22% more than 50 employees; and only 1% did not specify.

In terms of annual turnover, the investment is expected to yield the following increases: 41% of enterprises expect an increase of 30%, 26% between 21 – 30%, 22% between 11 – 20%, and 10% between 5-10%.

Among the 33 enterprises with an active loan, 11 have a loan of more than 150,000 euros, 4 have loans between 50,000 – 75,000 euros, 3 between 75,000 – 100,000 euros, 9 less than 25,000 euros, and 6 between 25,000 – 50,000 euros. Investments in the sector are crucial for its future and sustainability.

As a recommendation, we strongly suggest exempting micro-investments, especially in the renewable energy sector, from VAT (on purchases) and providing financial support.

1.2. Survey conclusions and recommendations

Findings from the survey conducted by NOA and ProExport Albania in early 2023 indicate that textile, garment, leather, and footwear manufacturing enterprises in Albania have been experiencing a rapid increase in order volumes from major foreign partners.

Well-known international brands are requesting additional orders from Albanian producers, but due to limited production capacities and outdated technologies, these enterprises are struggling to respond to large and immediate orders. Additionally, the textile, clothing, leather, and footwear sector is facing a critical shortage of labour.

The rising demand for production is driving enterprises to improve workforce management, increase productivity, and upgrade technology. Current market conditions and customer demand present a unique opportunity for the textile, clothing, leather, and footwear sector to add more value to their production chain. For the first time in decades, Albanian enterprises have the ability to select the orders they wish to fulfil. Low labour costs in Albania are no longer the primary competitive advantage, and new production alternatives must be embraced.

The main findings of the survey highlight that textile, clothing, leather, and footwear enterprises in Albania need to take additional steps to improve job quality within the TCLF sector. The next challenge is the expansion and diversification of exports and suppliers/clients, which would provide Albanian manufacturers with a stronger bargaining position against European suppliers. Albanian producers need to overcome their fears of losing their primary clients by diversifying their customer base.

The sector is expected to expand due to rising raw material prices, higher transportation and energy costs, a shortage of skilled operators, and increasing demand for outsourcing in Albania from European

partners. This expansionary trend in customer demand is causing significant challenges for Albanian textile, clothing, leather, and footwear manufacturing enterprises.

There is a high demand but also a significant labour shortage for sewing operators, production line technicians, machine maintenance technicians, textile engineers, and pattern-making technicians. Training programs are essential and highly sought after by enterprises.

Financial and regulatory support is needed to facilitate the installation of photovoltaic panels, enabling mass production powered by renewable energy. Supporting the purchase of innovative industrial machinery by increasing the depreciation index from the current rate of 20% to 40% would ease the tax burden on enterprises and provide them with greater liquidity.

The sector faces several challenges, including rising costs, growing demands from European brands (which cannot be met due to a lack of liquidity for investment and production diversification), a pronounced shortage of employees (with over 20,000 vacancies in the sector), the need for promotion at international fairs, training in human resources, and the development of eco-friendly products. These challenges can only be overcome with support from stakeholders, including the government and financing agencies.

With financial support from microfinancing institutions, enterprises will be able to increase their annual turnover, expand their workforce, enhance the skills of both labour and managerial staff, upgrade technology, and boost productivity. The survey indicates that annual turnover could increase by over 30% for 41% of the enterprises, by up to 20% for 22% of the enterprises, and by up to 30% for 26% of the enterprises.

Financial funding or loans will also have a significant impact on workforce expansion: 22% of enterprises expect to increase their workforce by 5-10 employees; 29% plan to hire up to 20 new employees; 12% anticipate hiring up to 50 new employees; and 22% expect to hire more than 50 new employees.

2. DEVELOPMENT OF NEW INOVATIVE LOAN PRODUCT

In collaboration with CBS (Creative Business Solution) and an international expert in the banking sector, NOA has worked closely to create innovative loan products tailored specifically for the apparel and footwear sector. These products were developed based on the results of a prior survey conducted within the sector.

The specifically designed loan products consist of:

2.1. The FALP Overdraft Flex

The FALP Overdraft Flex was designed to assist footwear and apparel companies in addressing their liquidity issues by offering unsecured working capital financing. This short-term, unsecured financing product is structured as a hybrid between a term loan and an overdraft, incorporating features of both. The OVD Flex limit increases and decreases in line with the seasonality of the industry, providing the benefit of a flexible and irregular repayment schedule that aligns with the business cycle of clients. The success and profitability of this product depend heavily on regular portfolio monitoring and the establishment of an adequate collection framework to respond swiftly to any negative trends.

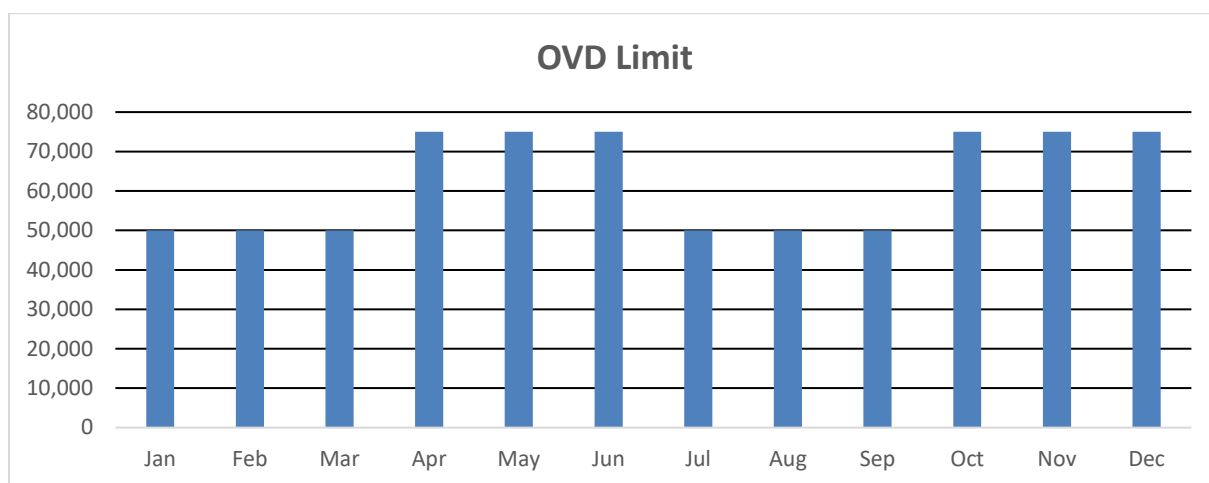


Figure 1- Illustration of OVD limit

Standard OVD: 50,000€

Bulge: 25,000 € available in Apr-Jun & Oct-Dec*

*Timing of cycle is just for illustration.

The FALP Overdraft Flex offers several benefits to the footwear & apparel companies :

- “Unsecured” financing up to EUR 75,000;
- Improved liquidity to finance day to day operations;
- Access to additional working capital financing to grow their business;
- Flexible mean of borrowing;
- Increased financing availability during peak periods;
- No need for tangible collateral like real-estate or cash;
- Flexible repayment schedule matching the cash flow cycle.
- Accompanied by dedicated technical assistance

2.2. The FALP Investment Loan

The FALP Investment Loan was designed to assist footwear and apparel companies in purchasing fixed assets for the purpose of expanding their operations, increasing capacities, and acquiring new clients. This long-term, unsecured financing product is structured as a term loan but features a flexible and irregular repayment schedule that aligns with the seasonality of the industry. The repayment structure is recommended to be personalized for each borrower, depending on their seasonality and cash flow patterns.

The FALP Investment Loan offers several benefits to the companies of the sector, as outlined below:

- Unsecured financing up to EUR 75,000;
- High loan to value financing with cash down
- Ability to expand operation and increase production;
- Flexible repayment schedule matching the cash flow cycle.
- Accompanied by dedicated technical assistance

2.3. Staff Training

In April 2023 (on the 7th and 11th), staff training sessions were conducted on the two FALP loan products (FALP Investment and FALP Flex), as well as on various sales techniques. These training sessions were held in a combined format (both in-person and online). Participants included Branch Managers, Senior Loan Officers, and members of the Risk Unit with Underwriters. The training sessions were met with high interest from the staff and were highly interactive. A total of 67 participants attended the training, 27 of whom were female and 40 male. The in-person training was attended by 42 participants, while 25 participated online.

The training was conducted by an international expert with extensive experience in the banking system and the fason sector, in collaboration with CBS.

Annex/Appendix I of this document includes some photos from the staff training sessions.

3. Marketing Campaign

The communication strategy of the FALP project primarily focused on direct contact, supported by an intensive promotional plan, to increase awareness among as many businesses as possible. The promotional plan included both physical and digital efforts, executed through specific actions and consecutive campaigns. According to the marketing strategy document, a series of communication and business values were established and consistently adhered to throughout the FALP initiative.

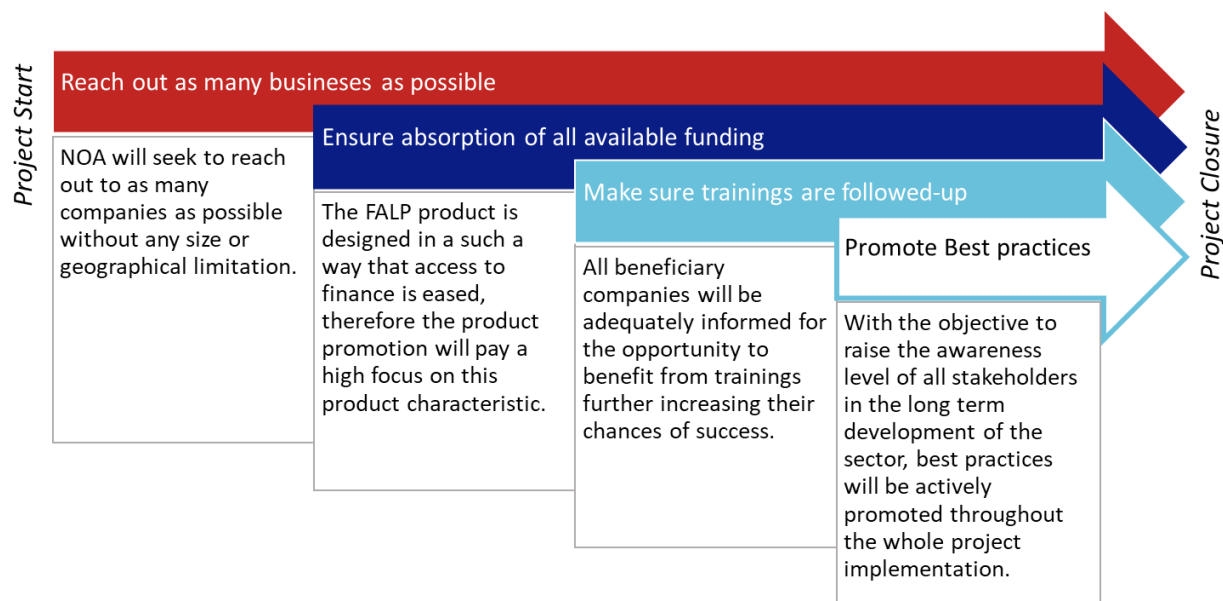


Figure 2 - Communication objectives of the FALP initiative

The primary communication channels used during the project implementation are illustrated in the figure below:

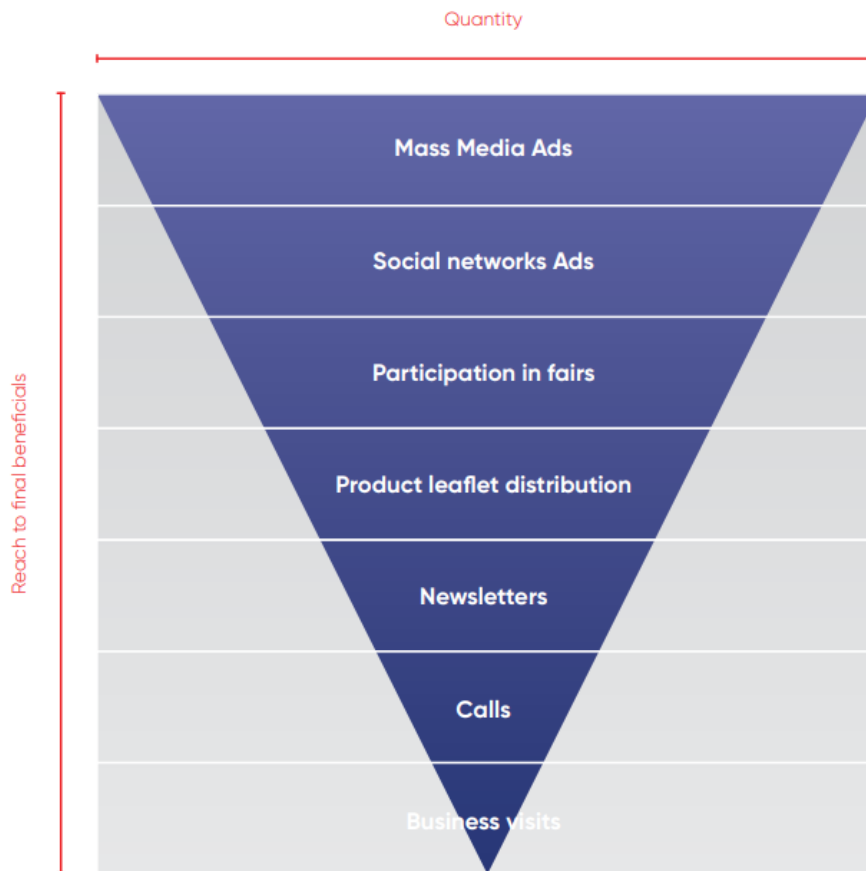


Figure 3 - Communication channels weight distribution

The marketing campaign, which utilized all communication channels—both digital and door-to-door—had a significant and positive impact on the progress of the project. Notably, the project's opening event, which was heavily promoted in visual and written media, resulted in a significant influx of loan applications.

Additionally, the door-to-door campaign played a crucial role in increasing the number of applications. This campaign was carried out throughout the project period by sales teams in the branches, as well as by the Sales Department at the Head Office.

In Annex/Appendix II of this document, various visuals from the digital marketing campaign are presented, including promotional articles in economic magazines.

The only aspect of the marketing campaign that was not realized during the project implementation was the publication of success stories. Despite considerable efforts by the staff, this was not achieved due to the high reluctance of customers to participate in such communication exercise due to the highly challenging period faced by the sector. Apparently, companies were afraid of showing they have subscribed to a loan as this could have increased market and staff mis-perceptions over their general performance, indirectly implying an increased risk for bankruptcy. This shows that the overall financial literacy level in the country, particularly among rural SMEs, is still a challenge and mis-understood.

4. Guarantee Fund report

The objective of ensuring the continuity and sustainability of the project, planned since the first application phase of the FALP initiative, was the development of a Guarantee Fund. Several meetings and exchanges were held with stakeholders to reach a common consensus on the model of a lasting mechanism that could be established for the future development of the sector.

As outlined in the “Guarantee Fund Report” delivered by the end of June 2024, this scheme is designed to operate as follows:

4.1. Fund Allocation and Management

- **Initial Fund Size and Allocation:** NOA will establish an initial guarantee fund with a size of \$100,000 to \$105,000, starting with the accrued success fees from the CATALYZE Project. Additional contributions will be sought from other stakeholders to increase the fund's capacity in the future.
- **Operational Costs:** A designated 5-10% of the fund (approximately \$12,000 to \$20,000) will be allocated to cover the costs associated with administering the fund, including risk assessments, monitoring, and stakeholder engagement activities.
- **Reporting:** All loans allocated under the guarantee fund will be distinctly flagged within the core banking system using a unique code. This coding will facilitate detailed reporting, allow for precise tracking of loan statistics, and support comprehensive analysis.

4.2. Market Cap and Guarantee Provisions

- **Guarantee Ceiling:** The total outstanding guaranteed loan portfolio will be capped at \$1,000,000 to maintain manageable risk exposure. The loan portfolio under the guarantee fund can be expanded once additional funds are committed by other stakeholders.
- **Guarantee Coverage:** The fund will be structured as a First Loss Risk Cover ("FLRC") of up to 10% of the portfolio, with a cap of 50% for any single sub-loan. This coverage ratio is designed to provide sufficient risk mitigation to encourage lenders to finance these sectors while ensuring that the fund can sustain its support over multiple lending cycles.
- **Maximum Principal Amount:** The maximum cumulative principal amount of qualifying loans made to any one Qualifying Borrower by any one Guaranteed Party is the Albanian Lek equivalent of EUR 40,000. A Qualifying Borrower includes any affiliate of that borrower, including parent or subsidiary companies with the same or substantially similar ownership as the borrower.
- **Qualifying Borrowers:** Non-sovereign individuals, micro, small, and medium-sized enterprises established under Albanian law and operating in Albania, with a special emphasis on those in the agriculture, tourism, FALP, and energy efficiency sectors, with a special focus on women entrepreneurs.

Project long-term sustainability

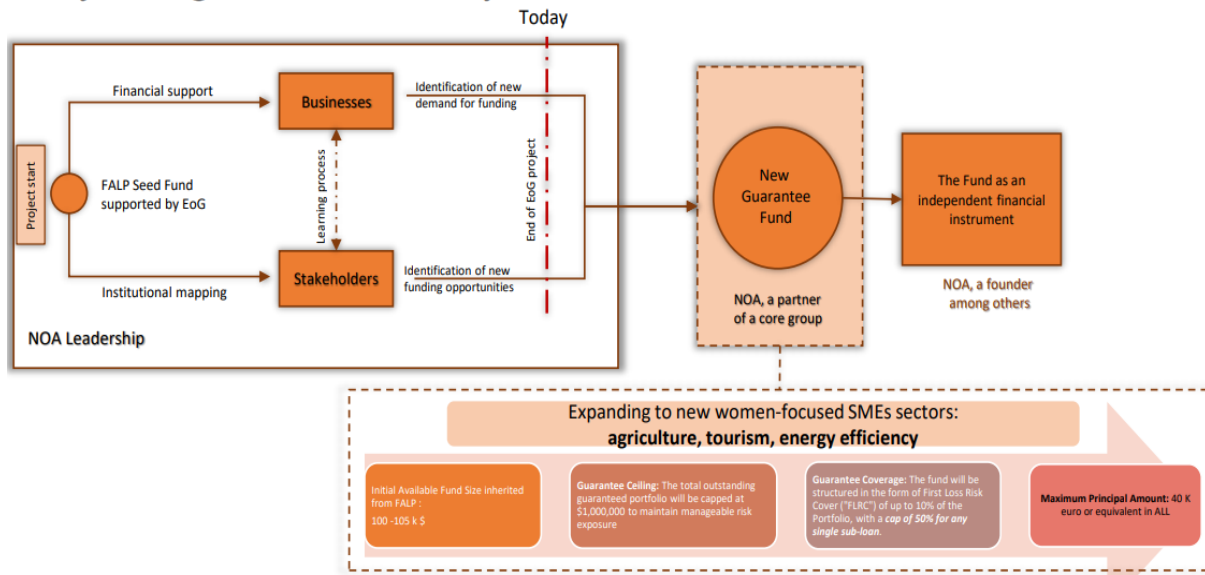


Figure 4: Project Long term sustainability scheme

4.3. Targeted Partners and Donors for the Establishment of the Guarantee Fund

From its inception, the FALP project team has engaged with several donors and stakeholders to jointly establish a Guarantee Fund supporting this priority sector and WSMEs.

In January 2023, during the FALP launching event, key participants included representatives from the Albanian Development Guarantee Fund (ADGF), the World Bank, the International Labor Organization (ILO), Deutsche Industrie und Handelsvereinigung in Albanien (DIHA), the Albanian Development Investment Agency (AIDA), the Foreign Investors Association of Albania (FIAA), universities, the Albanian Investment Council (AIC), and TUV Austria, among others.

During the launch event, participants were informed of NOA's intent to use the FALP initiative as a learning mechanism for establishing a future Guarantee Fund. Throughout the implementation of the initiative, follow-up meetings were held with organizations such as the ILO, GIZ, the Swedish Development Cooperation Agency (Sida), the European University of Tirana, and the Albanian Ministry of Finance.

Specifically, GIZ and Sida—the German Technical Advisory organization and the Swedish Development Cooperation Agency—have been exploring the potential implementation of a Guarantee Fund targeting Youth and WSMEs. In a dedicated meeting on April 20, 2023, NOA discussed with the GIZ team the FALP initiative and its potential to establish a larger Guarantee Fund in the future. As of this report, GIZ has not yet made a final decision regarding its involvement. Further discussions are expected to continue.

The ILO is currently working on a project focused on improving the skills and working conditions of SMEs in the sector. The goal of these exchanges was to identify potential synergies, ensuring that future financial

instruments like the Guarantee Fund are linked with social/technical assistance elements to enhance the socio-economic impact of the initiative.

The European University of Tirana (UET) and the Gender Alliance for Development Center (GADC), supported by the U.S. Embassy in Tirana, have been conducting research on the textile and leather sector. NOA aimed to share lessons learned from the FALP initiative to attract other stakeholders' attention and involve them in the potential Guarantee Fund.

ProExport Albania—the Albanian business association for the textile and leather sector—has been requested by the Albanian Government to gather data and ideas for the potential creation of a national Guarantee Fund, especially in light of the recent euro/lek exchange rate fluctuations. As a project partner in the FALP initiative, ProExport has jointly promoted the idea of creating a Guarantee Fund, which is yet to be finalized.

NOA has also reached out to the Albanian Ministry of Finance as part of a state initiative to establish a potential Guarantee Fund for the sector. The exchanges have not yet led to a concrete step.

During July and August 2024, several important potential partners and donors were also approached:

The World Bank and IFC presences in Albania have positively responded to the invitation to attend the closing conference of the FALP initiative in two separate meetings. During the incoming conference, WB & IFC representatives will present their policy stake as of the interest of establishing a Guarantee Fund in the context of Albania, based on the different lessons learned from other countries where similar initiatives have been implemented. Particularly, the Kosovo example will be presented as a success story considering the Kosovo Guarantee Fund was an IFC initiative open to both, banks and micro-finance providers.

Albanian Development Guarantee Fund (ADGF) has similarly responded positively to attend the FALP closing conference and to present their stake as of the potential establishment of a Guarantee Fund covering priority entrepreneurs as described in the FALP Guarantee Fund report.

GIZ Albania & Sida: After the initial meeting in April 2023 and subsequent communication in June/July, these donors informed us that, after assessing the situation, they do not intend to pursue a guarantee fund at the national level. However, they mentioned that if a Regional Guarantee Fund is developed by Sida's headquarters in Stockholm, they would consider including us.

European Bank for Reconstruction and Development (EBRD): A meeting is scheduled for the first week of September 2024 (before the project closing conference) due to the summer holidays.

It should be noted that significant structural changes in the sector over the past 12 months have substantially influenced stakeholders' short- and medium-term visions regarding the establishment of a Guarantee Fund, directly affecting the viability of NOA's Guarantee Fund.

4.4. Launching Conference and Donor Engagement

A pivotal moment in the potential future fund's rollout will be the project closing conference, scheduled for September 25, 2024, in Tirana, Albania. This technical event will focus in detailing the potential establishment of a future Guarantee Fund by learning from international best practices, FALP lessons learned, business needs etc. The objective of the meeting is to draft a synthetical document to be shared among all relevant stakeholders in order to continue building over the FALP success story. As such, the conference will:

- **Showcase Successes and Strategy:** Highlight successful case studies from the pilot phases, present detailed plans for the fund's operational rollout, and discuss the strategic vision for scaling the initiative.
- **Attract and Secure Donors:** Serve as a platform to attract further investment by demonstrating the fund's potential impact and operational viability. The event will target local and international donors, financial institutions, government representatives, and other stakeholders.

5. Technical Assistance

As a key component of the project, in addition to financial support, training and technical assistance were provided to 74 SMEs to enhance their production capabilities and marketing strategies. This initiative included both business owners and their employees. The training sessions were organized in collaboration with the Pro Export Association and took place throughout the project implementation period. The sessions were delivered in a combined format, both online and in-person, at or near the business premises.

The online training sessions were conducted via the Zoom platform, with each session lasting 2 hours. In total, six online training sessions were held, with 74 business owners participating in all sessions. These sessions took place as follows: three in May 2023, two in September 2023, and one in June 2024. The online training was led by an international expert with extensive experience in marketing, as well as the apparel and footwear sectors.

In addition to the online sessions, in-person training was conducted by four national experts (professors and specialists from the Polytechnic University). These sessions were held at the business premises and targeted the employees of these businesses. A total of 598 employees from thirteen different businesses participated in these in-person sessions.



Figure 4 - Training topics for business owners and employees

In Annex/Appendix III of this document, you will find various photos from the online training sessions as well as the in-person trainings conducted for employees.

6. Deployment of Capital into MSME

As a primary indicator of the agreement between NOA and Palladium LLC, the initial plan for this deliverable was to deploy a volume of \$3.5 million USD for W-MSMEs in the footwear and apparel sector. At that time, the sector was experiencing peak performance, with exports exceeding €501 million and employing over 75,000 workers. This strong potential led NOA to support the sector financially with an innovative loan product, despite the inherent high risks associated with it.

However, several economic factors that began to shift in April-May 2023 significantly impacted the sector. These factors included the rapid and high devaluation of the euro against Albanian Lek due to the strengthening of the local currency, the increase of minimum and average wages, and rising costs of raw materials, all of which led to a drastic decline in the sector's financial performance.

Additionally, the highly unpredictable policy intents of the Albanian public authorities, also played an important role in the high fluctuations of the applications number for the FALP product. While in the beginning of the euro/lek exchange crisis, it appeared that public authorities were supporting the idea of a deep reshuffling of the sector pushing for the most weak companies to shut down, later on, they announced the creation of a sovereign guarantee fund. While the fund has yet to be implemented, and the first businesses beneficiaries to be identified, at the moment of the announcement, textile and leather businesses halted their FALP loan applications awaiting for this opportunity to be clarified.

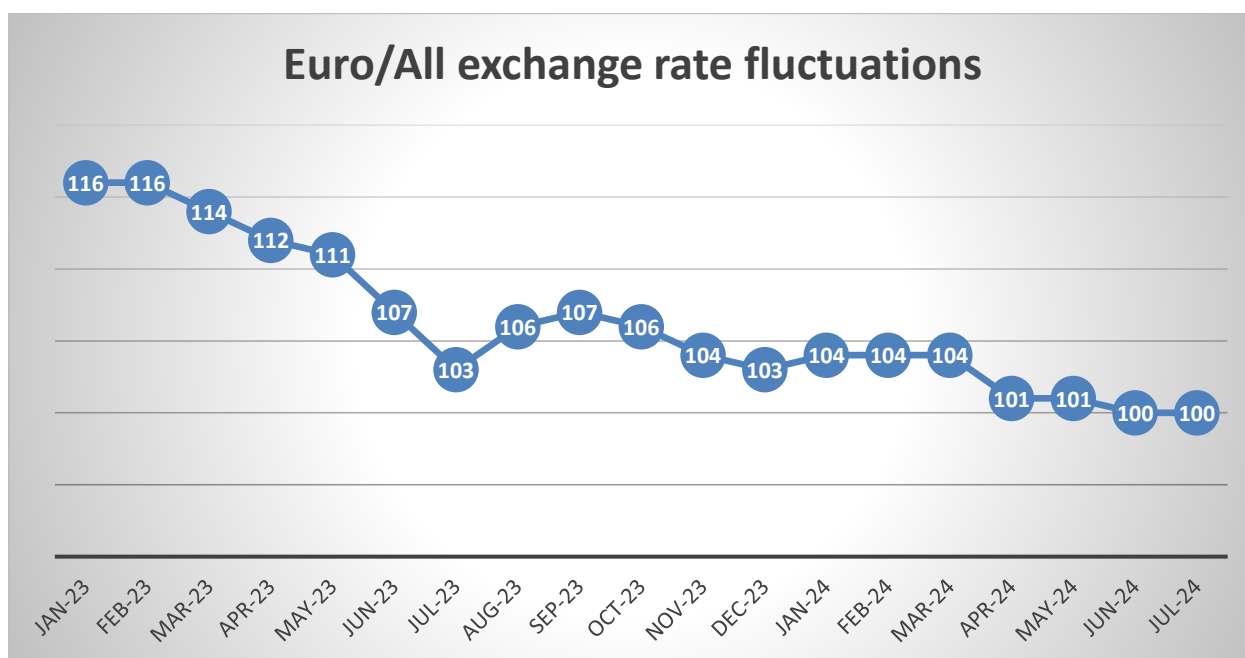


Figure 5 - Exchange rate fluctuations, source Bank of Albania

These changes in the exchange rate had a direct impact on the demand for financing within the sector. When we draw a parallel between the number of disbursements per month during the same period and the exchange rate fluctuations, the impact of the decrease in the euro currency rate becomes evident.

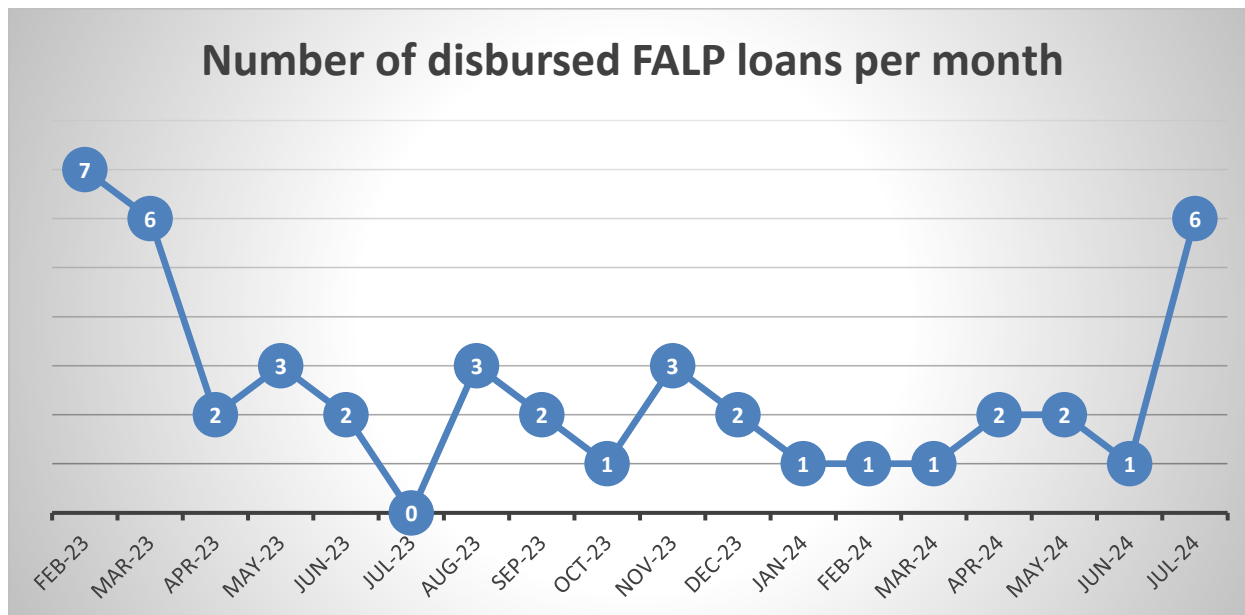


Figure 6 - FALP disbursed Loans

The chart below shows the value of export on monthly basis for a three-year period and in billions of lek.

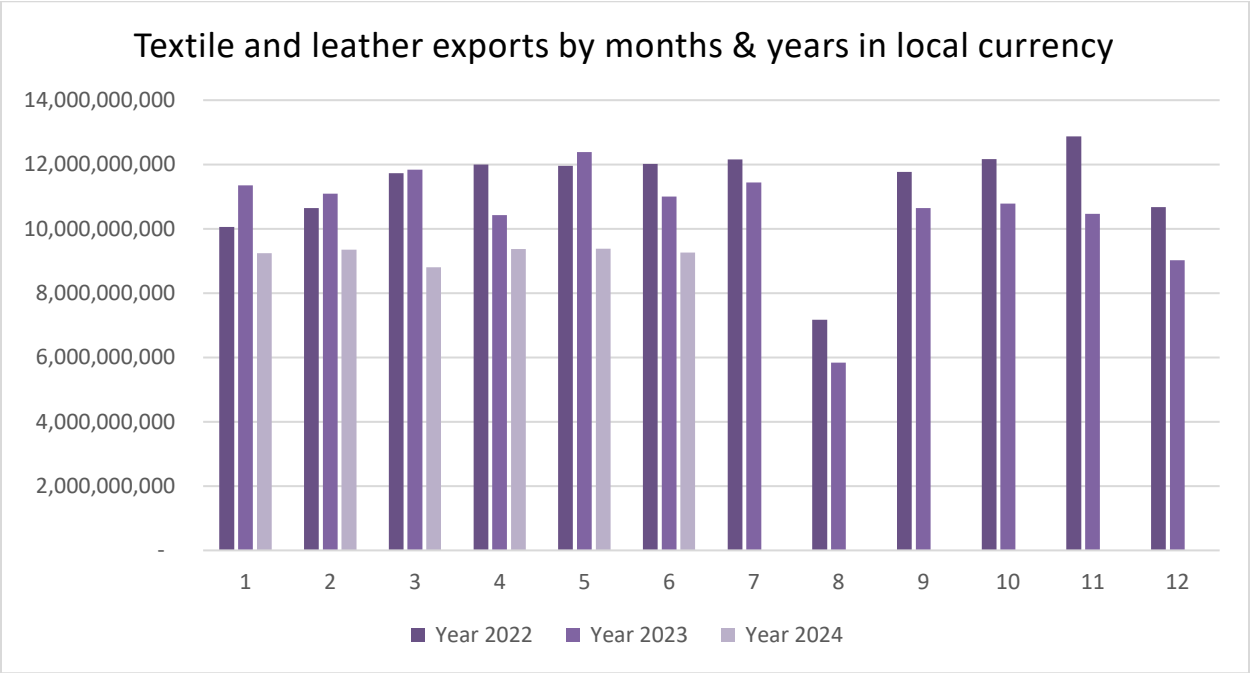


Figure 7 - Textile and leather exports (source Albanian statistical office)

Graph 8 clearly shows the decline in the sector's export income for the period 2023 and 2024 compared to 2022. This decrease has resulted in reduced working capacity for these businesses, the closure of a significant number of them, and a reduction in the workforce for many enterprises. This trend is also illustrated in the graph below:

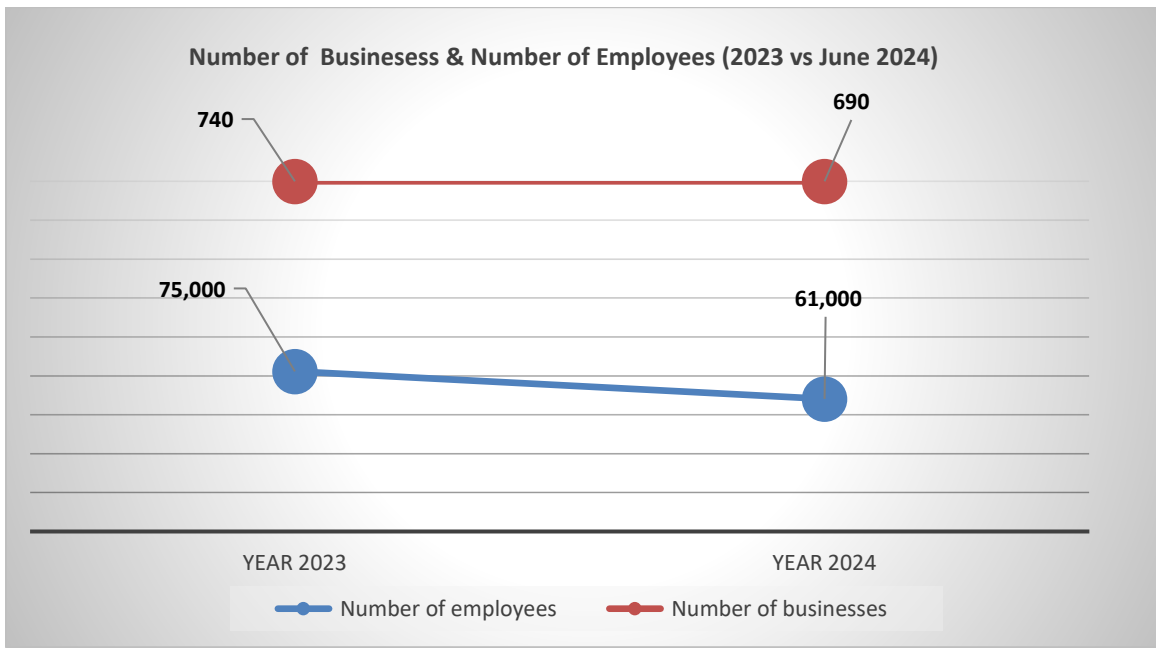


Figure 8 - Number of businesses & employees Apparel and footwear sector (source Pro Export Association)

Due to the factors explained above, in April 2024, we began working with Palladium to amend this deliverable and reduce the deployed capital for this sector from \$3.5 million USD to \$2 million USD. Despite significant efforts and utilizing all available marketing mechanisms, we managed to achieve disbursements totalling approximately \$2.01 million. This is illustrated graphically by month in Figure 10 below:

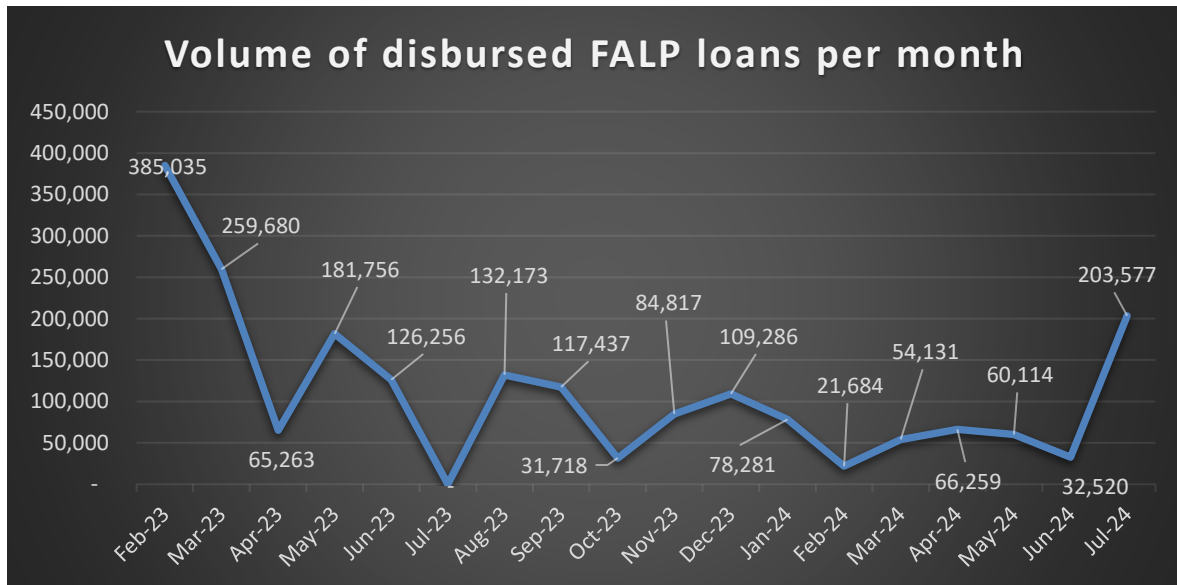


Figure 9 - Volume of disbursed FALP loans (source NOA data)

6.1. Impact of disbursed loans for businesses

Regarding the impact of the loan that has on:

- % change in annual sales for each of the MSMEs, whereby the baseline year is the year when the investment was made.
- % change in fulltime equivalent employees for each of the MSMEs, whereby the baseline year is the year when the investment was made. Percentage increase in employment of women.
- Value of debt or equity investments made in MSMEs.

From the table below we can see that: 16 (sixteen) MSMEs that has been financed have increased annual sales starting from 2 % to 84 %, 2 (two) MSMEs has no changes on sales, 8 (eight) MSMEs has decrease of annual sales starting from - 4 % to -70 % due to the problems with ordering agreements and all challenges mentioned in this report. Also, during the project implementation 5(five) financed SMEs has been closed and 1(one) is ready to be closed. For 5(five) of the companies we cannot give any results because they were disbursed during the month of July 2024 and the effect that the financing will have on the sales result cannot be determined yet.

Almost the same trend in figures show the % of numbers of employees for the financed MSMEs. 12 (twelve) MSMEs has increase of the number of employees with from 1 % to 60%, 4 (four) companies have decrease in the number of employees with more than 50%, 11 (eleven) SMEs has tha same number of employees, 5 (five) financed SMEs has been closed and for 5(five) of the companies we cannot give any results because they were disbursed during the month of July 2024

As for the criterion of value debt and equity investment from the table we can see that in 98 % SMEs have realized the investment plan they had at the moment they have applied for financing.

Table I: Disbursed Loans

No	Client number	NOA Branch	Disbursement Month	Disbursed amount in euro currency (principal amount)	Loan Purpose 1. Investment 2. FALP FLEX 3. Working capital	Loan term in month	% change in annual sales for each of the MSMEs, whereby the baseline year is the year when the investment was made.	% change in fulltime equivalent employees for each of the MSMEs, whereby the baseline year is the year when the investment was made. Percentage increase in employment of women.	Value of debt or equity investments made in MSMEs.	Other clarifications
1	Diamant Bags	NOA- Gjirokaster	Feb-23	75,000.00	Investment	84	11%	0%	75'000 euro	Loan is closed 6 months after disbursement with refinancing from BANK
2	BLD	NOA- Durres 1	Feb-23	75,000.00	Investment	34	-50%	-50%	75'000 euro	
3	Comfort Shoes	NOA- Shkoder	Feb-23	55,000.00	Investments in assets (trucks and equipment) and operating expenses	36	9%	58%	27,000 euro purchase of track 20,000 euro purchase of machinery	
4	Spartak SA shpk	NOA- Korce	Feb-23	25,000.00	Working capital/flex	12	18%	7%	25'000 euro	Closed after maturity
5	Tahiraj shpk	NOA- Fier	Feb-23	75,000.00	Investment					The business is closed
6	Olives Group Shpk	NOA- Korce	Feb-23	24,940.00	Working capital/flex	12	3%	6%	25'000 euro	Converted to standard loan
7	Rita Duro	NOA- Tirana 2	Feb-23	25,000.00	Investment	36	Six months after loan disbursement business was closed	Six months after loan disbursement business was closed	Six months after loan disbursement business was closed	
8	MaxBrand Textile	NOA- Tirana 9	Mar-23	30,000.00	Working capital/flex/invent ory purchase	12	30%	40%	30'000 euro	
9	Groni Konfeksion	NOA- Durres 1	Mar-23	30,000.00	Investment	36	20%	15%	30'000 euro	
10	I V Y Shpk	NOA- Komuna e Parisit/Tirana 1	Mar-23	50,000.00	Investment and working capital	36	Increase with 4,000,000 ALL	0%	The business is closed	

No	Client number	NOA Branch	Disbursement Month	Disbursed amount in euro currency (principal amount)	Loan Purpose 1. Investment 2. FALP FLEX 3. Working capital	Loan term in month	% change in annual sales for each of the MSMEs, whereby the baseline year is the year when the investment was made.	% change in fulltime equivalent employees for each of the MSMEs, whereby the baseline year is the year when the investment was made. Percentage increase in employment of women.	Value of debt or equity investments made in MSMEs.	Other clarifications
11	Confezione Lucrecia Shpk	NOA- Durres 1	Mar-23	25,000.00	Working capital/flex	36	-100%	-100%	25,000 euro	The company has closed the activity. The loan continues to be paid by the co-borrower
12	Klo&Alen Intimo shpk	NOA- Durres 2	Mar-23	35,000.00	Working capital/flex	36			Loan was closed 3 months after the disbursement since the client has a high cash flow	
13	T.N.C CONFEZIONI SHPK	NOA- Tirana 4	Mar-23	75,000.00	Investment	36	10%	30 new employees	After financing with FALP, has made possible the realization of the merge of two buildings for the better work of the business by offering more contracts and adding business equipment.	
14	Thoma Kristaq Tasho	NOA- Korce	Apr-23	35,000.00	Investment	36	-13%	4%	35'000 euro	
15	Thoma Kristaq Tasho	NOA- Korce	Apr-23	25,000.00	Working capital/flex	12	-13%	4%	25'000 euro	Converted to standard loan
16	Euro Sbs	NOA- Korce	May-23	30,000.00	Working capital/flex	12	26%	8%	30'000 euro	Renovated after maturity
17	Noka Industry shpk	NOA- Durres 1	May-23	60,000.00	Investments in business, increase of the production line.	48				After purchase of the part of the new production line client has lost the contract with the contractor and part of the loan was used for employees salaries. After several

No	Client number	NOA Branch	Disbursement Month	Disbursed amount in euro currency (principal amount)	Loan Purpose 1. Investment 2. FALP FLEX 3. Working capital	Loan term in month	% change in annual sales for each of the MSMEs, whereby the baseline year is the year when the investment was made.	% change in fulltime equivalent employees for each of the MSMEs, whereby the baseline year is the year when the investment was made. Percentage increase in employment of women.	Value of debt or equity investments made in MSMEs.	Other clarifications
										attempts with the supplier to reconnect the relationship, the agreement was not reached and as a result the client closed the company.
18	Anesti Nano	NOA- Tirana 4	May-23	75,000.00	Investment	12	10%	0%		
19	N D Albania Sh.p.k	NOA- Tirana 2	Jun-23	75,000.00	Investment	36	30%	0%	90,000 euro, purchase of new line machines and other equipment	
20	INTIMODA SHPK	NOA- Durres 1	Jun-23	43,180.00	Investment	36	0%	0%	43,180 euro	
21	Nazmi Balla	NOA- Tirana 7	Aug-23	40,000.00	Working capital/flex	12	-70%	-27.70%	Loan was used for closing of debts (Tax)and employees' salaries since he has delay in payment from the contractor	
21.1	Nazmi Balla	NOA- Tirana 7	Aug-23		Restructured Loan	55	-49.80%	60%		
22	Berat - Konfeks Shpk	NOA- Berat	Aug-23	55,000.00	Working capital/flex	12	7.20%	0%	55'000 euro	
23	F&S Konfeks Durres SHPK	NOA- Tirana 4	Aug-23	25,000.00	Investment	36	5%	15 new employees		
24	Rosalba Shhpk	NOA- Durres 2	Sep-23	60,000.00	Working capital/flex	12	decrease of sales	decrease of the number of employees		
25	SA FRA SHPK	NOA- Durres 1	Sep-23	47,980.00	Working capital/flex	24	0%	0%	47,980 euro	
26	Aem Al . Shpk	NOA- Fier	Oct-23	30,000.00	Working capital/flex	48	increase with 399,000 euro	0%	Payment of Liability	

No	Client number	NOA Branch	Disbursement Month	Disbursed amount in euro currency (principal amount)	Loan Purpose 1. Investment 2. FALP FLEX 3. Working capital	Loan term in month	% change in annual sales for each of the MSMEs, whereby the baseline year is the year when the investment was made.	% change in fulltime equivalent employees for each of the MSMEs, whereby the baseline year is the year when the investment was made. Percentage increase in employment of women.	Value of debt or equity investments made in MSMEs.	Other clarifications
27	Hekri Project SHPK	NOA- Durres 2	Nov-23	45,000.00	Working capital/flex	30		Actually, works with 7 employees		
28	Comfort shoes	NOA- Shkoder	Nov-23	20,000.00	Working Capital/ Operating expenses	36	-37%	-39%	Operational costs	
29	Confezione Lucrezia . Sh.p.k	NOA- Durres 1	Nov-23	15,000.00	Working capital/flex	36	-100%	-100%	15,000 euro	The company has closed the activity. The loan continues to be paid by the co-borrower
30	Panspi . Shpk	NOA- Korce	Dec-23	75,000.00	Working capital/flex	12	-4%	8%	75'000 euro	
31	N.O.E.L IMPEX . SHPK	NOA- Durres 2	Dec-23	25,000.00	Investment in fix assets	60			The client went bankrupt and is now paying the loan regularly	
32	STELLA SHPK	NOA- Durres 1	Jan-24	70,930.00	Working capital/flex	12	25%	20%	70,930 euro	
33	Spartak Sa Sh.p.k	NOA- Korce	Feb-24	20,020.00	Working capital/flex	36	-8%	3%	20'000 euro	
34	Zatex Br . Shpk	NOA- Berat	Mar-24	50,000.00	Investment and working capital	36	5%	0%	20'000 euro	
35	Thoma Kristaq Tasho	NOA- Korca	Apr-24	26,400.00	Working capital/flex	36	3%	4%	27'000 euro	
36	Elda . Shpk	NOA- Korca	Apr-24	35,000.00	Investment	36	4%	4%	35'0000 euro	
37	Spartak Sa Sh.p.k	NOA- Korce	May-24	25,000.00	Working capital/flex	12	-8%	3%	25'000 euro	
38	Euro Sbs . Shpk	NOA- Korce	May-24	31,200.00	Working capital/flex	12	13%	8%	31'000 euro	
39	Marvas . Shpk	NOA- Korce	Jun-24	30,000.00	Working capital/flex	12	2%	1%	30'000 euro	
40	Toel . Shpk	NOA- Tirana 4	Jul-24	50,000.00	Investment/new machinery	84	There are currently no changes as the loan was disbursed at the end of July	There are currently no changes as the loan was disbursed at the end of July		

No	Client number	NOA Branch	Disbursement Month	Disbursed amount in euro currency (principal amount)	Loan Purpose 1. Investment 2. FALP FLEX 3. Working capital	Loan term in month	% change in annual sales for each of the MSMEs, whereby the baseline year is the year when the investment was made.	% change in fulltime equivalent employees for each of the MSMEs, whereby the baseline year is the year when the investment was made. Percentage increase in employment of women.	Value of debt or equity investments made in MSMEs.	Other clarifications
41	Donchris Shpk . Shpk	NOA - Kamez	Jul-24	30,000.00	Working capital/flex	12	There are currently no changes as the loan was disbursed at the end of July	There are currently no changes as the loan was disbursed at the end of July		
42	Shoelite Shpk	NOA - Kamez	Jul-24	30,000.00	Operating expenses purchase of production line machines	24	There are currently no changes as the loan was disbursed at the end of July	There are currently no changes as the loan was disbursed at the end of July		
43	KLO & ALEN INTIMO . SHPK	NOA- Durres 2	Jul-24	30,000.00	Working capital/flex	12	There are currently no changes as the loan was disbursed at the end of July	From the period of the first loan the number of employees is decreased		
44	Abatex . Shpk	NOA - Elbasan	Jul-24	30,000.00	Working capital/flex	12	There are currently no changes as the loan was disbursed at the end of July	There are currently no changes as the loan was disbursed at the end of July	100% of the loan was used to pay off tax liabilities and purchase raw materials	
45	Aem Al . Sh.p.k	NOA - Fier	Jul-24	20,000.00	Investment and working capital	60	87%	0%	12,000-euro Purchase of machinery and other part for operational cost	

6.2. Quality of Disbursed Loan Portfolio

As of July 31, 2024, the quality of the loan portfolio remains relatively good. There are six loans in arrears: five with 9 days in arrears and one with 16 days in arrears. In terms of portfolio volume, **20.99%** of the total portfolio is in arrears, which equates to a value of **\$272,000 USD**.

6.3. Term of Disbursed Loans

All FLEX loans have a term of up to 12 months. In contrast, INVESTMENT Loans and Loans for Working Capital have terms ranging from 24 to 84 months. The graph below shows the number of loans for each time length.

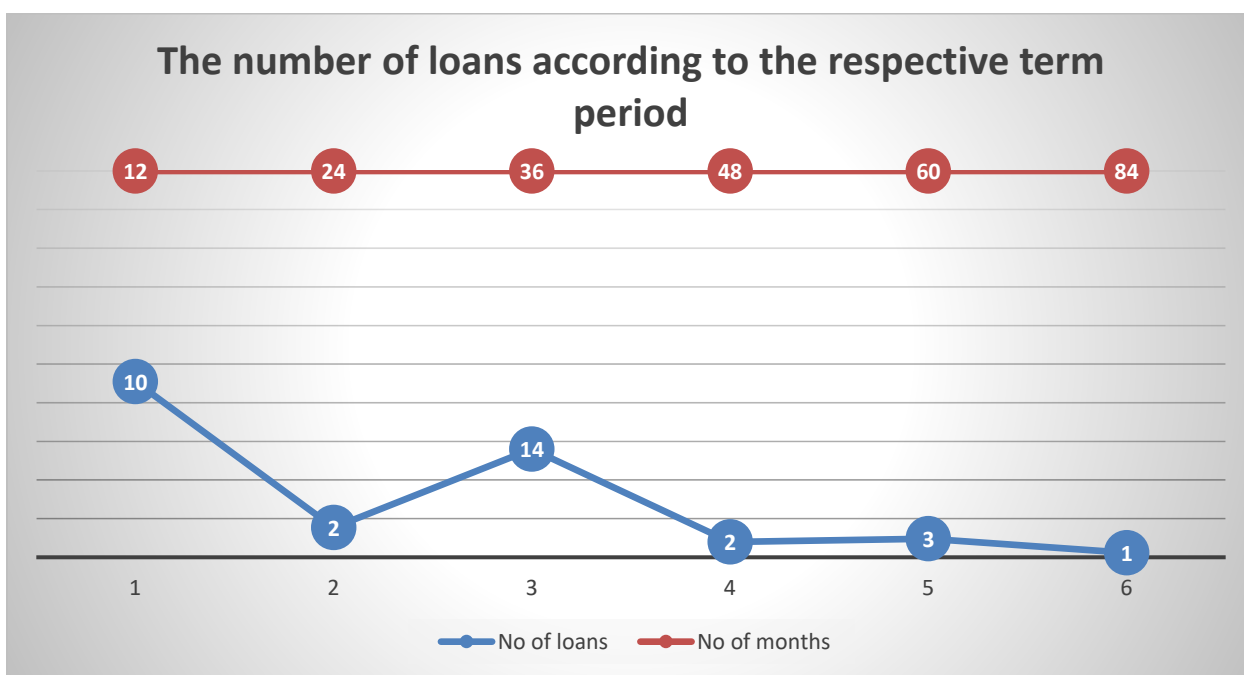


Figure 10 - Number of loans for each time length (source NOA data)

From the project start till the July 31, 2024, seven (7) loans have been closed for different reasons, some of them has been matured, some has been closed and becomes bankable client etc. Two loans as per NOAs internal procedures has been restructured due to the days in arrears.

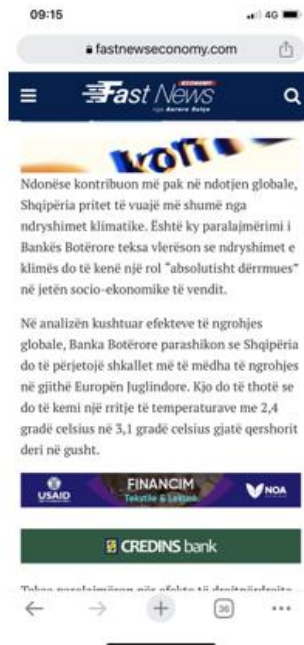
In total four (4) four FLEX LOANS have been renewed after their maturity.

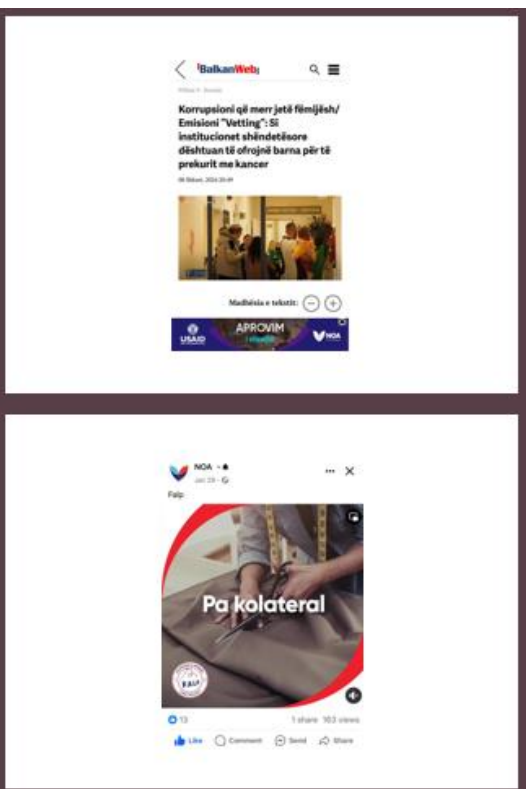
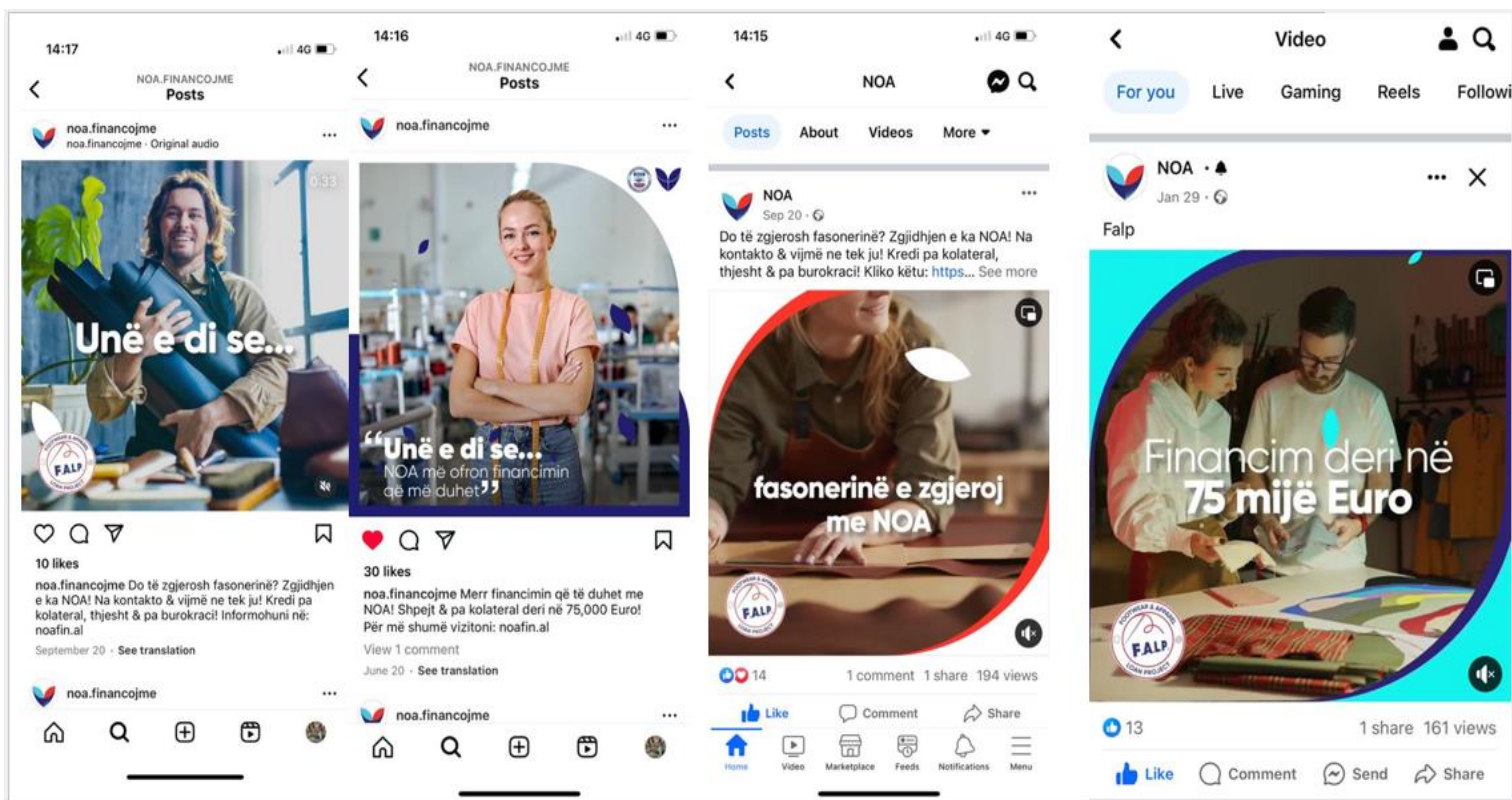
Despite the difficult situation that the footwear and apparel sector has gone through and is going through, NOA managed to implement all deliverables within the deadline set in the initial agreement and contract amendment.

Annex / Appendix-I: Staff Training



Annex / Appendix-2: Marketing Campaign





Projects

NOA partners in projects that focus on promoting entrepreneurial culture, self-employment, small businesses, farmers, or improving living standards for communities and territories with limited access to financial and economic services. By cooperating with various national and international actors such as donors, universities, municipalities, private companies or individuals and local organizations, NGOs, NOA aims to increase the development impact by combining its financing with technical components that bring added value, reduce the risks of investment, create synergy or increase efficiencies and production yields, etc.

To learn more about NOA projects, read below or contact the email address: velmazi@noafin.al



> FALP

A USAID project to support companies in the Textile and Footwear Sector in Albania with training and suitable financing.

[Learn more](#)

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NOA WEB:

<https://noafin.al/eng/projects>




FASONËT SHQIPTARE PËRBALLË MUNDËSIVE DHE SFIDAVE TË REJA: NJË PRODUKT FINANCIIMI, DEDIKUAR PLOTËSISHT SPECIFIKAVE TË SEKTORIT

Institucioni financiar NOA, me mbështetjen e Agjencisë së Shteteve të Bashkuara për Zhvillim Ndërkombëtar (USAID), nëpërmjet programit CATALYZE Engines of Growth (EoG), po zbaton "Projektin e Financimit të Sektorit Tekstile & Lëkurë" (FALP). Qëllimi është mbështetja e rritjes dhe konkurrencës së lartë e këtij sektori kyç për ekonominë shqiptare. Ky është produkti i parë i dedikuar i kredisë për sektorin, i cili është lançuar nga NOA në janar 2023 dhe synon të injektosh financim për sektorin nëpërmjet kredive pa kufitorat me vlera deri në 75,000 euro. Bizneset fashone që do të kërkojnë një financim të tillë do të mbështeten gjithashtu edhe nëpërmjet një kishimi të posaqshm teknik, me qëllim sigurimin e një impakti sa më të madh për biznesin e tyre.

Znj. Herjeta Spahiu, Drejtore Ekzekutive e NOA, thekson se: "Industria e këpucëve dhe veshjeve po udhëheq promovimin e produkteve "Made in Albania" në tregjet perëndimore, nga Italia e Spanja dhe deri në Kanada e Shtetet e Bashkuara. Në një kohë sfidash reale për sektorin, është thelbësor që ky sektor të ketë produkte financiare të përshtatshme, në mënyrë që të krijojë vlera të reja të shtuara, të rrisë kapacitetet e tij prodhuese dhe dizajnuese dhe të përmirësojë standardet e punës për punonjësit e tij, të cilët janë kryesisht gra. Nuk është rastësi që 25 vjet më parë ishte USAID-i në gjenëzën e krijimit të NOA-s, dhe ashtu si atëherë, është edhe sot me të njëjtin angazhim për të promovuar një financim injektues. Jemi shumë të lumtur që ky bashkëpunim me USAID zhvillohet në mënyrë simbolike në 25-vjetorin tonë, duke ofruar shtetsh akses në financim më cilësor, për të garantuar krijimin e vendeve të punës dhe përfitshirje financiare reale."

Që nga fundi i janarit 2023, muaj në të cilin u lancoi edhe produkti inovativ, janë injektuar 1.7 milionë euro në kreditë të bashkëpunimit midis NOA dhe USAID, nëpërmjet programit CATALYZE Engines of Growth (EoG). Një klient i financuar me kredi FALP në degën e NOA Korce shprehet: "Financimi që mora nga NOA më ndihmoi të vendosja në funksion të plotë pikën e stampimit, të blisja makineritë të reja, të bëja ndarje të reja sipas departamenteve dhe të plotësoja nevojat për likuiditet, të cilat kanë ardhur si pasojë e ankëtimeve të vuara nga porositësit. E gjithë kjo ka sjellë rritjen e prodhimit dhe të ardhurave me 150,000 lekë në muaj."

Një klient tjetër i financuar me kredi FALP në degën e NOA Shkoder shprehet: "Me financimin FALP nga NOA, realizova planin tim të investimit për blerjen e një kamioni, i cili më ndihmoi të ulja shpenzimet mujore të transportit me 25%. Më konkretisht, më parë shpenzimet e transportit kapnin shifrën rreth 4500 euro në muaj, ndërsa pas blerjes së kamionit, këto shpenzime u ulën në 3500 euro në muaj."

Duke marrë në konsideratë sfidat që po has sektori, NOA ofron një ofertë me kushte të favorshme, duke e bërë ON kompanitë e disburimit për çdo financim të ri që do të jepet deri në fund të muajit korrik 2024.

Objekti i këtij bashkëpunimi është krijimi i një instrumenti financiar të pavarur, të qëndrueshëm dhe afatgjatë, i cili do të mbështetë sektorin "Tekstile & Lëkurë" dhe sektorë të tjerë me fokus të veçantë të gratë në biznes. Qëllimi është forcimi i këtij sektori në këto periudhë të vështirë dhe krijimi i kushteve më të mira të punës, paga më të larta si rezultat i përmirësimit të përgjithshëm të këtyre bizneseve (ritje të shitjeve, rritje të të ardhurave, etj.), të mbështetjes që ju ofrohet.

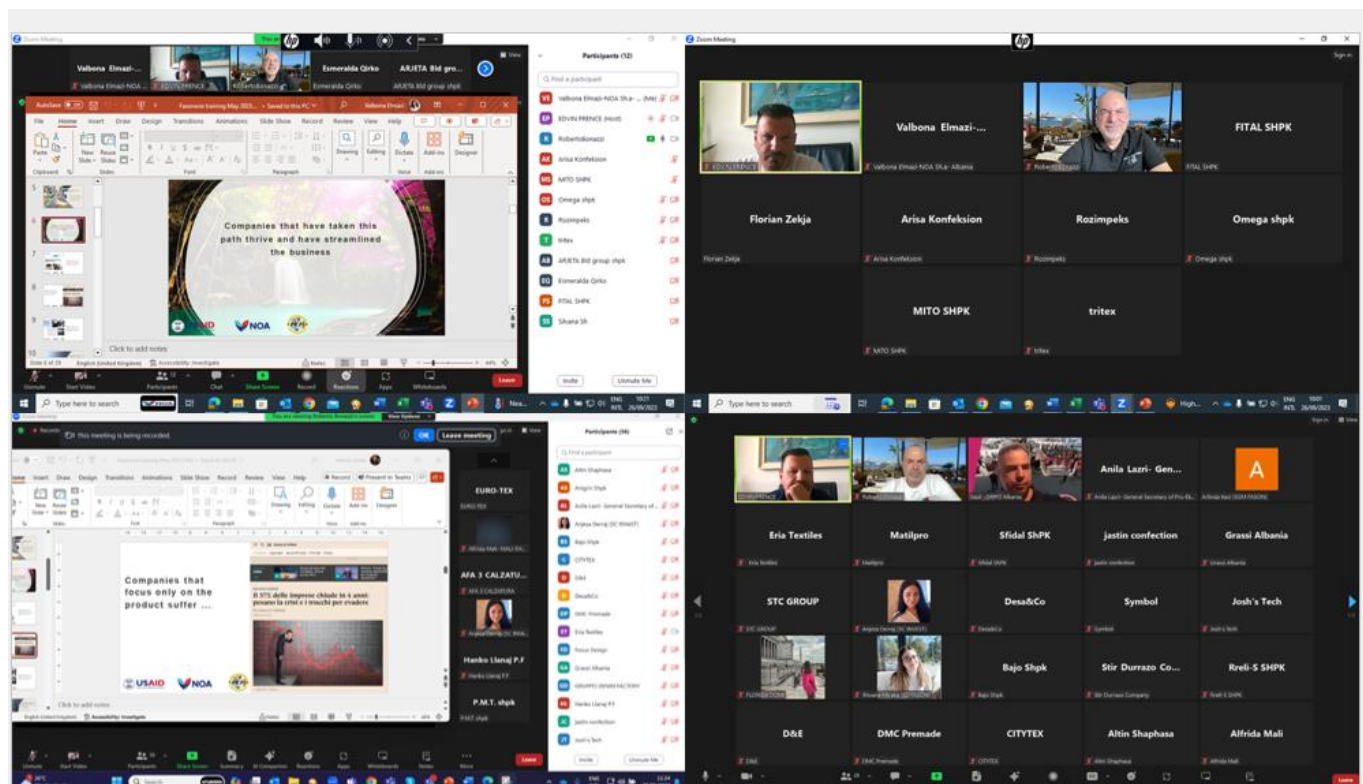
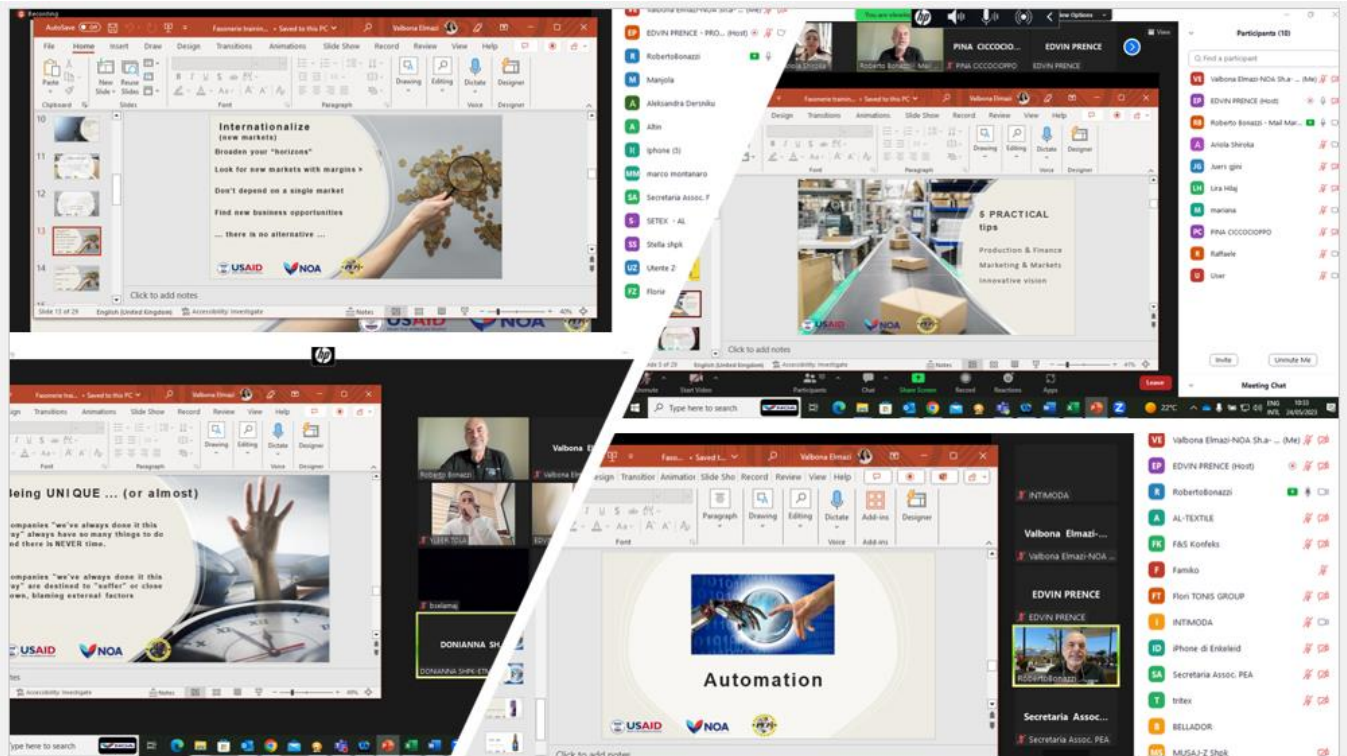
Disclaimer: Ky projekt ka bërë mundur me mbështetjen e popullit amerikan përmes Agjencisë së Shteteve të Bashkuara për Zhvillim Ndërkombëtar USAID. Përmbajtja është përgjatëse ekskluzive e posteve dhe nuk duhet të përdoret për qëllime tjera. © USAID-it ose të Qeverisë së Shteteve të Bashkuara.

Monitor Magazine article:

https://www.monitor.al/revista/1133/index.html?fbclid=IwY2xjawElugpleHRuA2FbQlxlMAABHZltdW6GuNe2Y2wFl2s0hNkMPY9mWMxXaMMKccAiRyE_mxmXuP4gWJDElw_aem_vEORmEPs3Zs41IQFdljIQ

Annex / Appendix-3: Footwear & Apparel Business trainings

I. Online Trainings



2. Trainings in Business Premises

