



**AMCHAM
BUSINESS
INDEX**

2021-2022



AMERICAN CHAMBER OF COMMERCE
DHOMA AMERIKANE E TREGTISË

Amcham Business Index

AmCham Business Index is Annual Quantitative Survey with 230 AmCham members

Prepared by

KONSORT

Representing the Largest Business Community in Albania

AmCham supports its members in overcoming challenges, defend their interests and rights as well as helps them to explore Albanian business opportunities and potential.



Over
230 MEMBERS

American, multinationals & local companies



\$ 3.2 BILLION REVENUES

Injected annually to the Albanian economy



38.000 EMPLOYEES



TRANS-ATLANTIC TIES AND PART OF GLOBAL AMCHAMS NETWORK

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EXECUTIVE SUMMARY

The business climate in Albania has overall improved compared to a year ago, but it continues to be a challenging issue for the business community. Most of the pressing issues are old, highlighting the lack of progress over the years. The overall improvement year-over-year is faded by the lack of progress towards the fight against corruption, monopolies and unfair competition. The center of concerns this year however has become the workforce.

RESULTS FOR 2021

The 2021 AmCham Business Index is 41.43 out of 100, increasing by +3.77 points from 37.66 in 2020. The improvement is contributed to the post pandemic recovery after two years of business disruption. No progress is detected in key drivers favorable to business climate. The top five concerns reported by the respondents are: Finding Local Qualified Staff, Monopoly and Unfair Competition, Informal Economy, Government Bureaucracy and Corruption Level.

HIGH MIGRATION IS WEAKENING THE WORKFORCE

The high level of migration is widening the gap for businesses to hire professional experts, undermining the performance of many companies. As a result, finding local qualified staff in 2021 has been reported to be difficult, or very difficult for 78.7% of the responding companies. This indicator has deteriorated by 8.98 points compared to previous year indicating a challenging labor market. The workforce availability is the most serious issue facing businesses today.

“THE OLD ISSUES” OF BUSINESS CLIMATE PERSIST

The main drivers of business climate performance - fair, equal and transparent practices - are still far from the expectations of companies and investors. During 2021, the respondents' perception has declined on “Monopoly and Unfair Competition” (-2.95 points), “Corruption Level” (-0.79 points), “Government Bureaucracy” (-1.64 points) and “Application of Laws and Regulations” (-1.32 points). The deterioration, however slight on these items, put the spotlight even stronger on these items, while the overall perception of economy has improved.


AN ECONOMIC “HOPE” AFTER THE PANDEMIC

Compared to 2020, the respondents' perception on the “Performance of the Albanian Economy” have improved by +14.76 points. The same is observed on “Goods and Services Demand” (+12.34 points), “Goods and Services Demand in Exports” (+11.96 points), “Employment” (+7.46 points) and the “Investments” (+6.82 points). The perception for “Order and Safety in the Country” (+3.69 points), Infrastructure (+2.13 points), Private Property (+3.52 points) and the Relation with Courts of Justice (+1.6 points) has also improved. During 2021, the “Assurance of Financing for Business Development” was perceived as difficult for 41.8 % of the respondents while the “Banking Policies and Services” were perceived as not favorable for 36.2% of them.

THE NEED FOR A TRUSTED PARTNERSHIP BETWEEN THE PUBLIC ADMINISTRATION AND THE PRIVATE SECTOR

The majority of the respondents continued to have a positive, or neutral perception of their relation with the public administration. Compared to the previous year, this perception has mostly improved for the customs authorities (+4.26 points) but slightly worsened for ministries (-1.57 points) and tax authorities (-2.52 points).

Overall, based on companies' perception and concerns, there is an urgent need to address corruption, monopoly, inequality and unfair competition, informal economy and government inefficiency with an open-minded approach. The respondents urge the public authorities to work in partnership with private sector by accepting the challenges and transforming them with long term solutions to lead a new and sustainable business climate.

The background is a complex abstract composition of geometric shapes. It features a dark, almost black, base color. Overlaid on this are several large, angular shapes in white and light gray. A prominent feature is a series of parallel yellow lines that run diagonally across the frame. The overall effect is one of sharp, dynamic movement and high contrast.

**Measuring the problems
that the business
community is facing**

About AmCham Business Index

The AmCham Business Index (ABI) is a yearly index created by the American Chamber of Commerce in collaboration with Konsort that measures the perception of AmCham members for the Business Climate in Albania.

The 2022 AmCham Business Index survey was conducted online from March 4th to 28th 2022. The survey was addressed exclusively to AmCham Albania members and requested their opinion regarding the business environment in Albania during the previous year (2021) and their estimation for the current year (2022).

The index measures important elements like government policy, level of taxes, corruption, informality, application of law, and also elements related to the performance of businesses and Albanian economy.

This index allows AmCham to identify and measure the problems that the business community is facing and enables the Chamber to work with the government and other actors to improve the business environment in Albania.

The index and its report are published every year and its findings are shared with AmCham members, the government, and other institutions. The first AmCham Business Index was published in May 2013.

AmCham Business Index has three main components:

- The Survey of AmCham members, with questions related to the business environment in Albania.
- The Report, which analyzes and presents the survey results.
- The Index itself which represents in a single number the perception of the AmCham members for the business environment in Albania.

The survey had 45 questions grouped into logical sections. The participants could choose to fill out the questionnaire either in English or Albanian language.

AmCham requested that the survey should be completed by company Presidents, Administrators, CEO-s or high-level executives.

The survey was anonymous and the collected data do not allow the identification of the respondent's answers. The closure of the survey and the transfer of the data were done in the presence of a public notary and a copy of anonymous data was deposited at the public notary.

The AmCham Business Index survey and this report were approved by the AmCham Board.

PARTICIPANTS

2 PARTICIPANTS

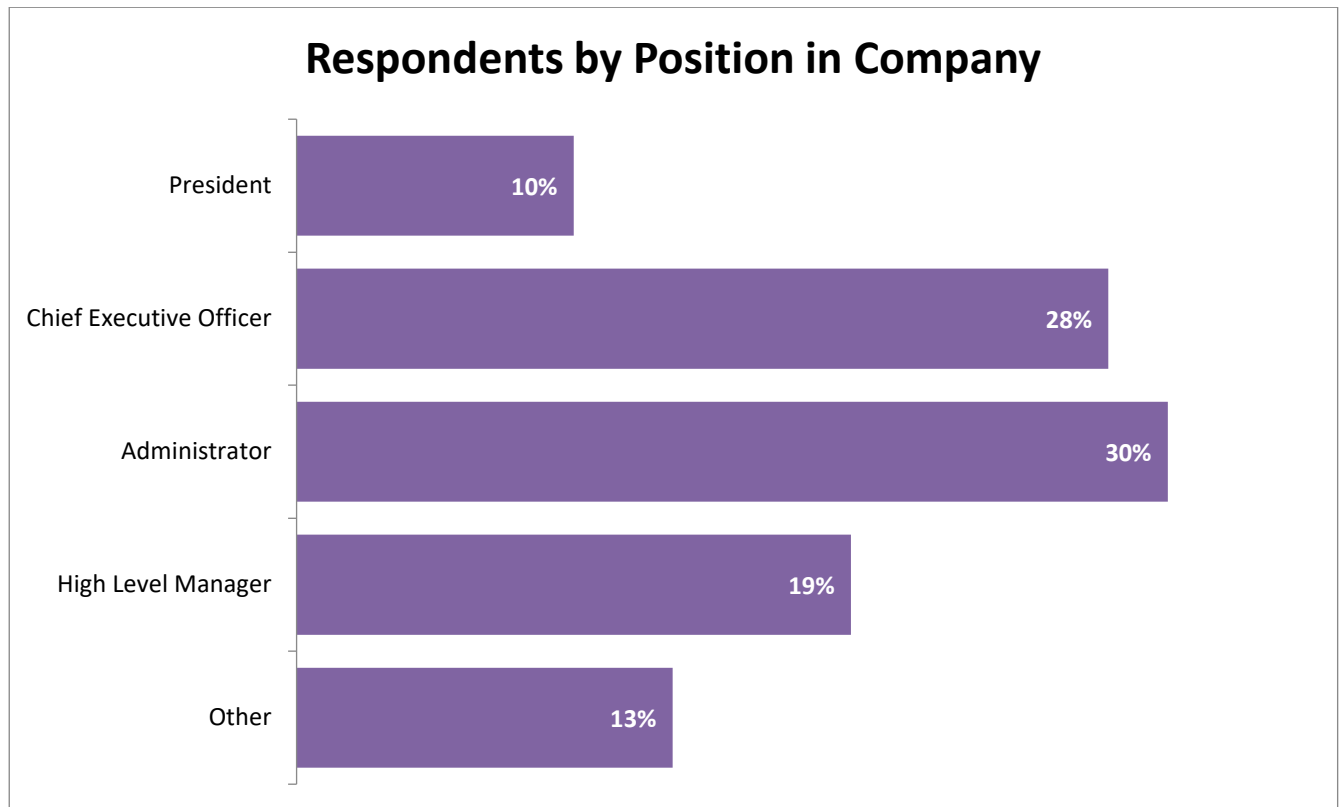
2.1 Response Rate

The total number of respondents that participated in the survey is 146. From the 146 participants, 138 of them had fully completed the survey by answering all the questions.

All of the answers from all participants are included in the results of the survey. All graphs display results in percentages rounded up to one decimal point. The description in text is rounded up to a full number.

2.2 Respondents Profile

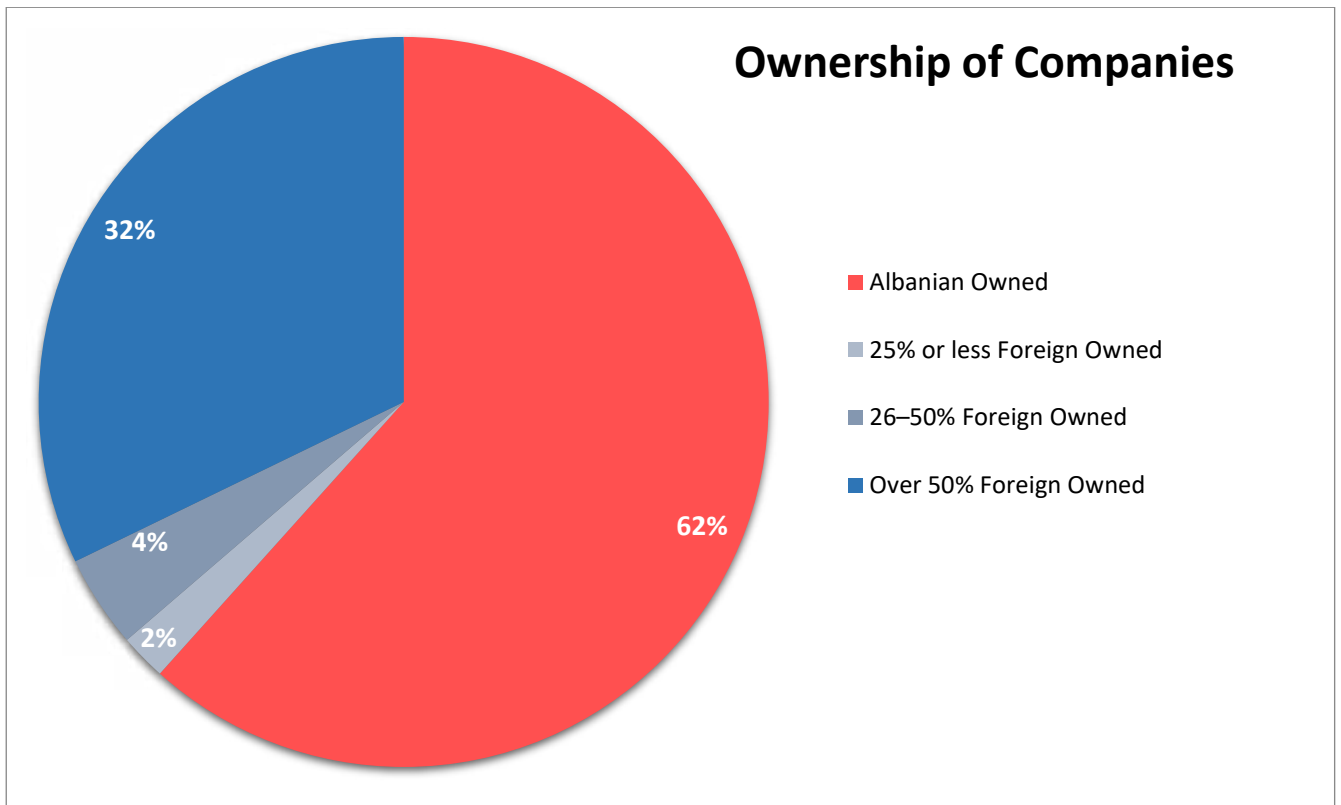
The majority of participants in the survey are in high level positions in their company including Presidents, CEOs, Administrators or high-level Executives.



2.3 Profile of Participating Companies

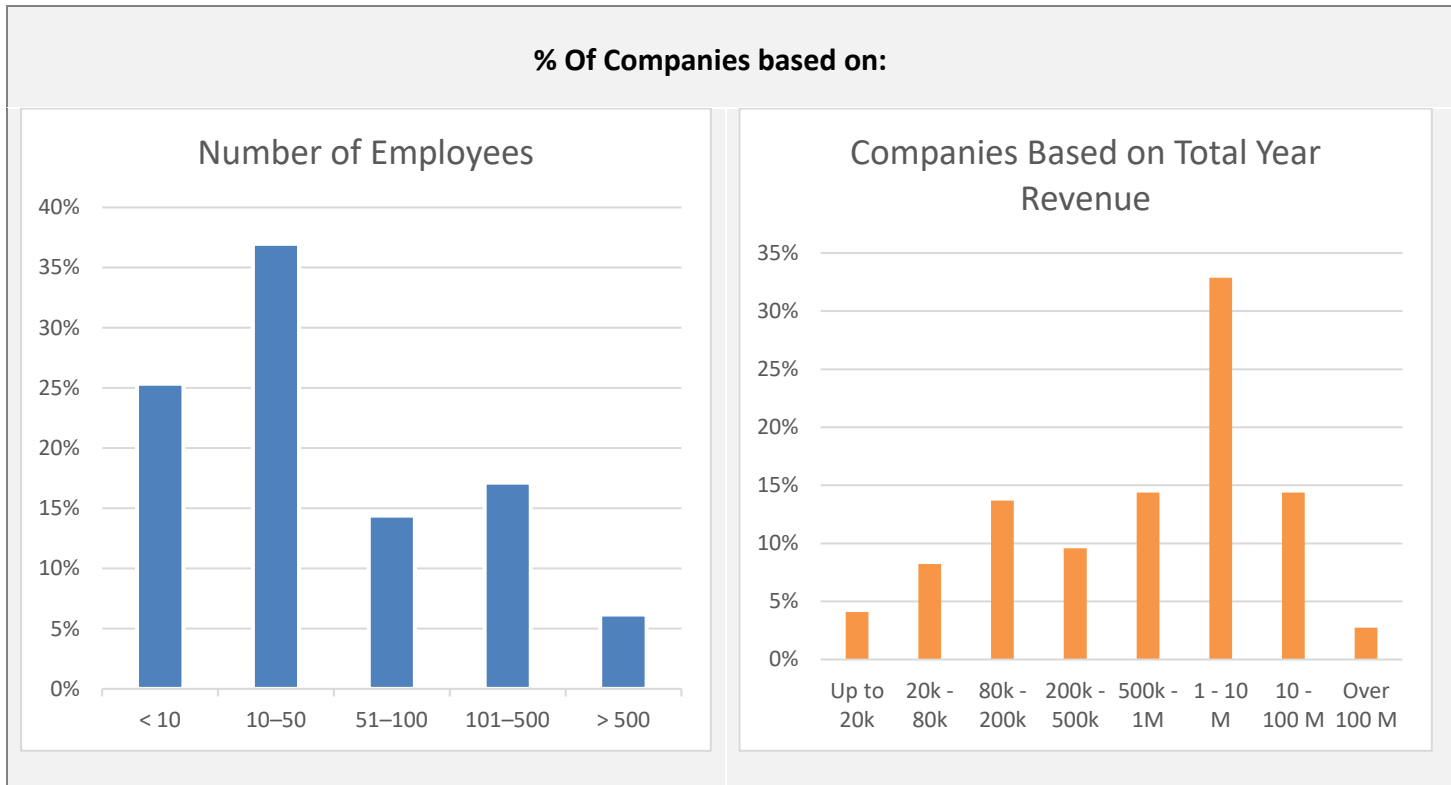
Ownership of Companies

The ownership structure of the companies that participated in the survey is shown in the following chart. More than half of the responding companies is Albanian owned.



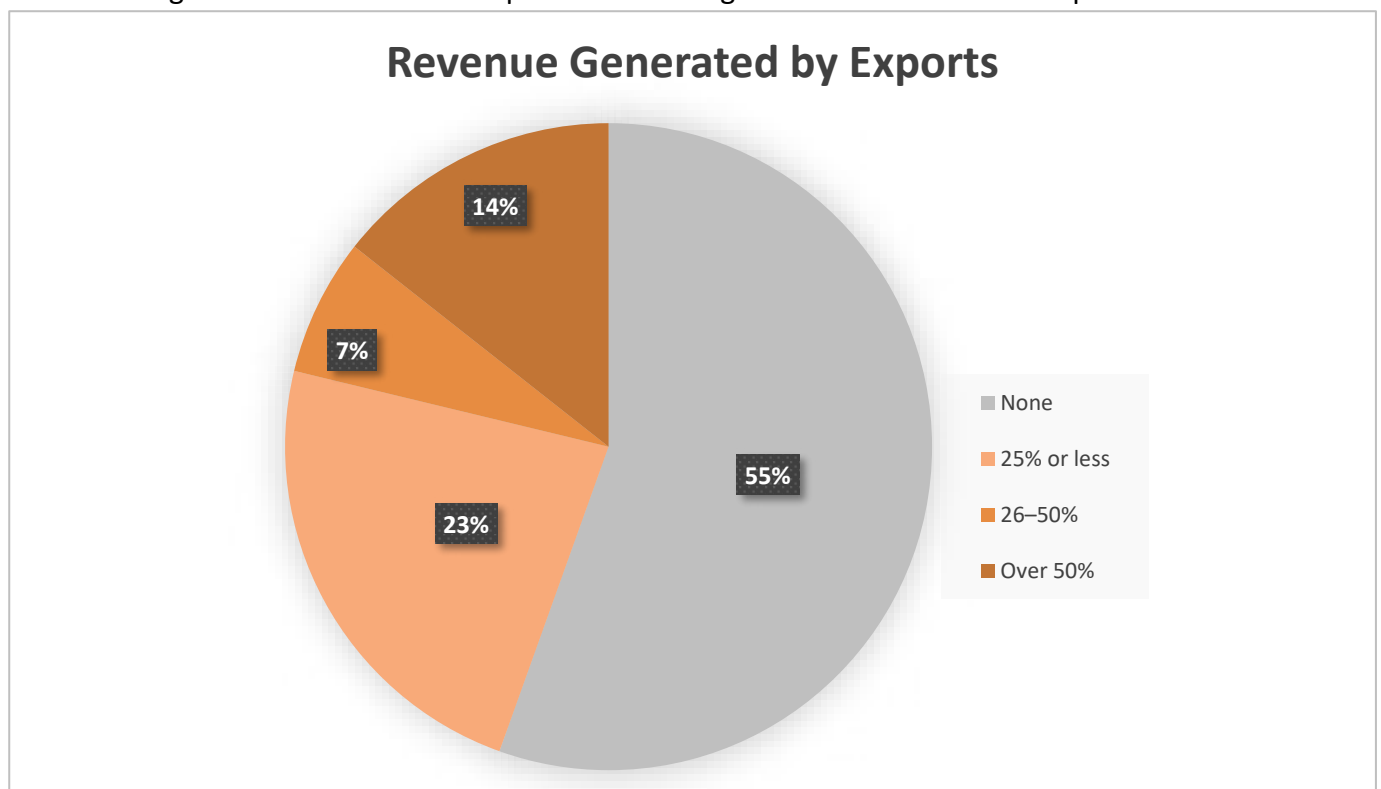
Size of Companies

The following chart show the percentage of the participating companies based on their number of employees and generated revenue.



Export Revenue

The following chart show the % of companies based on generated revenue from export activities.



Companies by Main Activity



Other (Education, Investment, e-commerce, leasing, etc.)*

 **AMCHAM**
 **BUSINESS**
 **INDEX**

3 AMCHAM BUSINESS INDEX

3.1 Calculation of the index

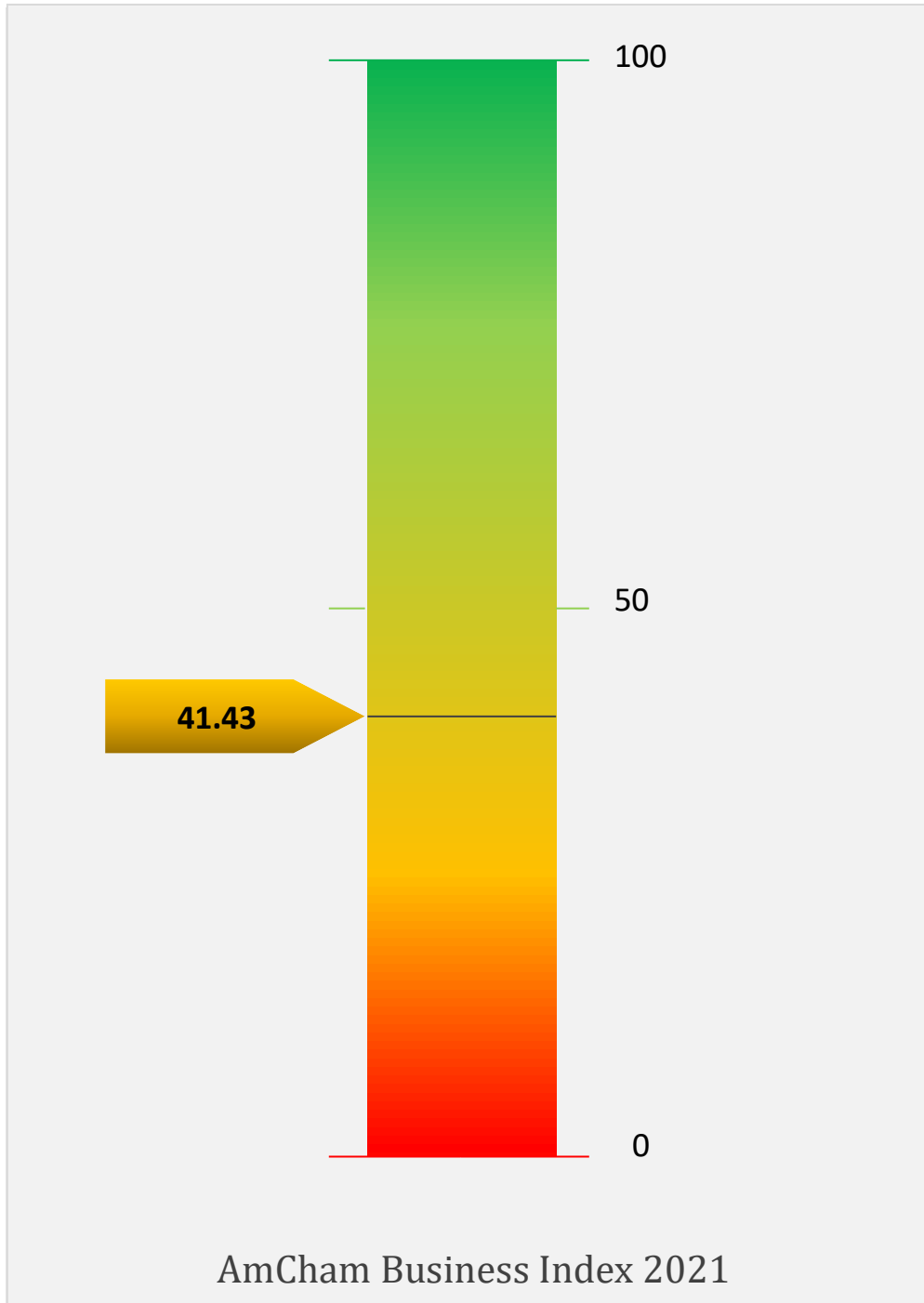
The AmCham Business Index is calculated based on the set of questions listed below. Each question is weighted based on its relative significance on the overall business environment in Albania. The AmCham Business Index is calculated as the sum of all the weighted results from these questions.

AmCham Albania Business Index Table	
	Questions Weights
Overall Business Climate	25%
How was the business climate in Albania for the last year?	25%
Business Climate Factors	25%
Please rate the level of the following factors for the last year in relation to your business activity?	
Corruption level	2.5%
Government bureaucracy	2.5%
Informal economy level	2.5%
Monopoly and unfair competition	2.5%
Please rate the level of the following factors for the last year in relation to your business activity?	
Order and safety	2.5%
Internal political climate	2.5%
Infrastructure	2.5%
Energy supply	2.5%
Private Property	2.5%
Intellectual Property	2.5%
Government Policy	20%
How was the relation of your business with the following public institutions for the last year?	
Relation with tax authorities	1%
Relation with customs authorities	1%
Relation with ministries	1%
Relation with local government	1%
Relation with courts of justice	1%
How do you consider the economic reforms and central government policy in the last year for your business?	4%
How do you consider the overall tax level applied in the last year for your business?	5%
How do you consider the application of the laws and regulations toward your business in the last year?	6%
Performance of the Economy	5%
How do you consider the performance of the Albanian economy during last year?	5%
Business Activity	15%
How has the demand for your firm's goods and services developed during the last year?	6%
How has your firm's total employment changed last year?	6%
How has your company investment changed during last year?	3%
Financial Environment	5%
How easy was for your company to assure financing for business development during last year?	5%
Human Resources	5%
How easy was for your company to find local qualified staff during last year?	5%

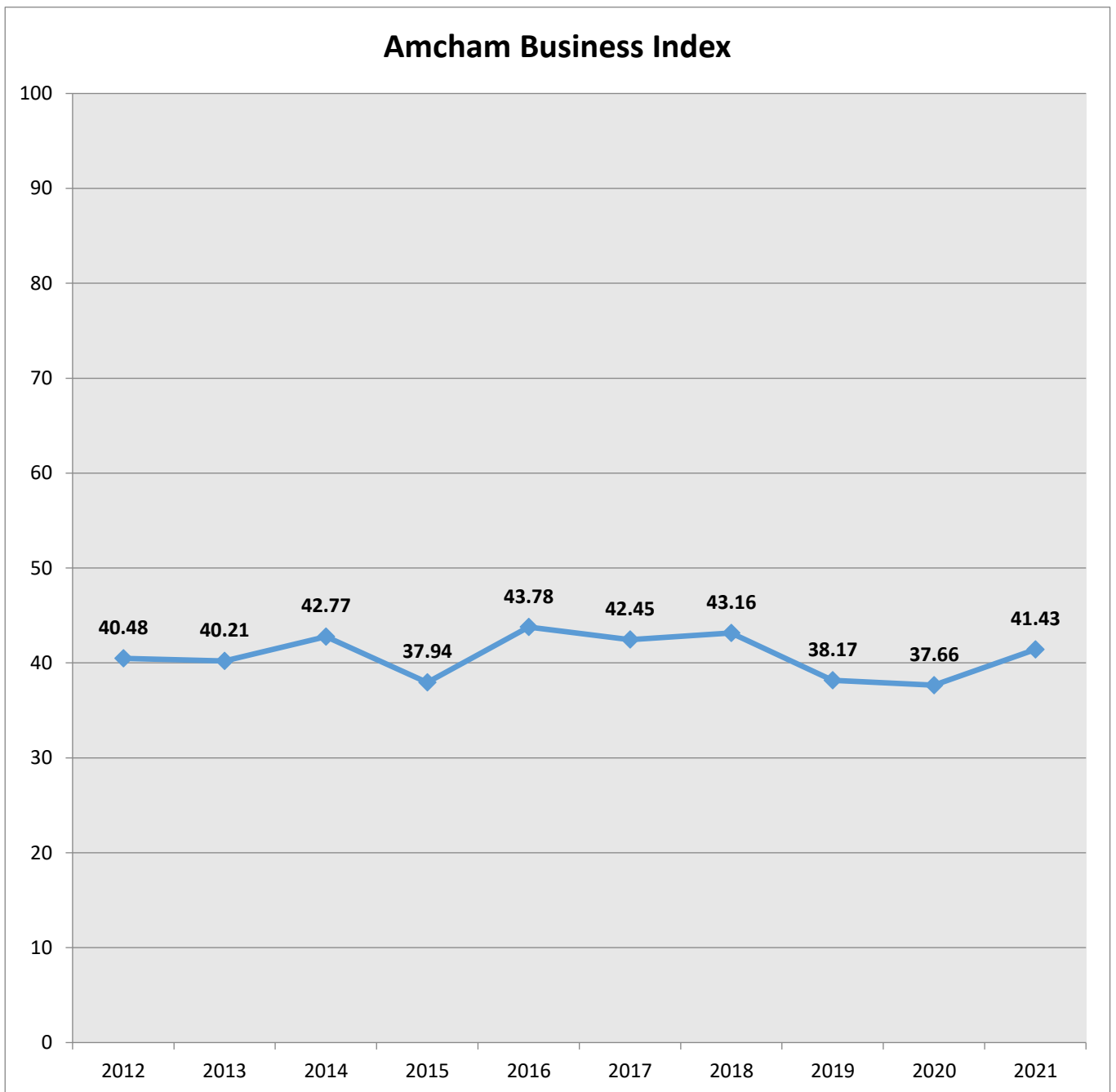
**Detailed information on the calculation methodology of the index can be found in Annex 1 of this document.*

3.2 AmCham Business Index result for 2021

The AmCham Business Index for 2021 has improved by 3.77 points to: **41.43**.

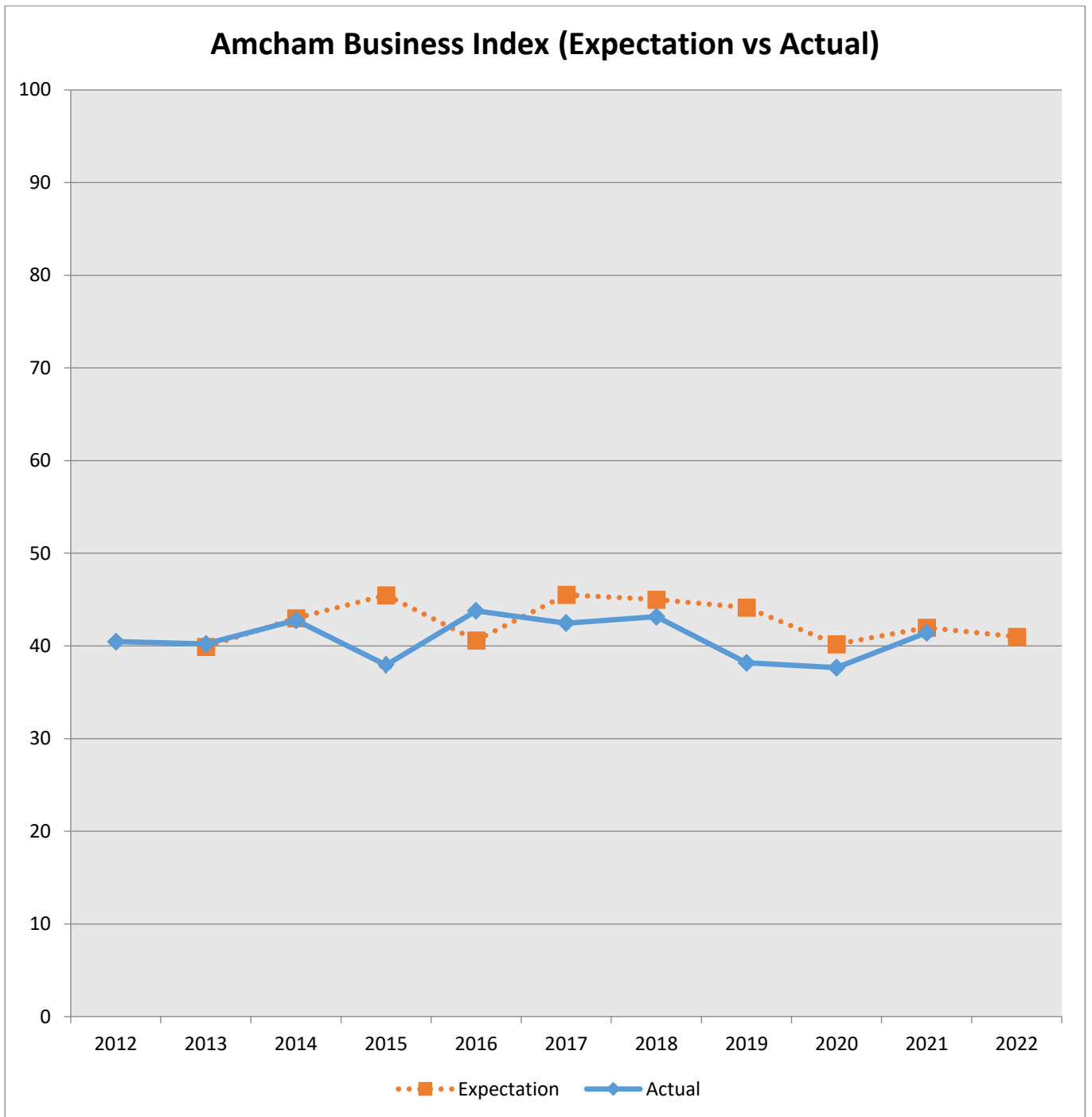


The Amcham Business Index for 2021 has increased by 3.77 points compared to 2020. The following chart shows the evolution of the AmCham Business Index during 2012-2021.



This chart shows the indicator evolution. **Higher results are better.**

The following graph shows the expectation for the 2022 Amcham Business Index. The graph also compares the expectation vs the actual result for each previous year.



3.3 Indicators results for 2021.

The following table presents the consolidated results for each question of the AmCham Business Index Survey (The minimum possible score is 0 and the maximum possible score is 100). These questions are sorted from the lowest to the highest score. **Higher scores are better and indicate a more positive perception.*

Nr	Indicator Name	2021
1	Local Qualified Staff Finding	24.47
2	Monopoly and Unfair Competition	26.71
3	Informal Economy Level	31.16
4	Government Bureaucracy	32.19
5	Corruption Level	32.71
6	Overall Tax Level Applied	32.75
7	Internal Political Climate	32.88
8	Economic Reforms and Central Government Policy	36.27
9	Business Climate	36.64
10	Application of Laws and Regulations	37.68
11	Performance of the Albanian Economy	39.26
12	Assurance of Financing for Business Development	39.89
13	Banking Policies and Services**	43.97
14	Intellectual Property	46.06
15	Relation with Courts of Justice	48.77
16	Infrastructure	48.80
17	Private Property	50.68
18	Goods and Services Demand in Exports**	53.63
19	Relation with Ministries	54.93
20	Total Employment Change	55.28
21	Relation with Local Government	55.46
22	Goods and Services Demand	55.46
23	Total Investments Change	55.99
24	Order and Safety in the Country	57.02
25	Relation with Tax Authorities	58.98
26	Relation with Customs Authorities	62.15
27	Energy Supply	66.10
Amcham Business Index		41.43

** The results of these questions are not included in the AmCham Business Index calculation

*** The detailed information regarding the results calculation can be found in Annex 1 of this document.

3.4 Comparison between 2020 and 2021

The table below presents the comparison of AmCham Business Index Survey results between 2020 and 2021. The results are sorted based on 2021 scores, from the lowest to the highest. Higher scores indicate a better perception.

Nr	Indicator Name	2020	2021	Difference
1	Local Qualified Staff Finding	33.39	24.47	-8.92
2	Monopoly and Unfair Competition	29.67	26.71	-2.95
3	Informal Economy Level	30.67	31.16	+0.50
4	Government Bureaucracy	33.83	32.19	-1.64
5	Corruption Level	33.50	32.71	-0.79
6	Overall Tax Level Applied	33.67	32.75	-0.92
7	Internal Political Climate	31.17	32.88	+1.71
8	Economic Reforms and Central Government Policy	36.33	36.27	-0.07
9	Business Climate	28.67	36.64	+7.98
10	Application of Laws and Regulations	39.00	37.68	-1.32
11	Performance of the Albanian Economy	24.50	39.26	+14.76
12	Assurance of Financing for Business Development	37.58	39.89	+2.31
13	Banking Policies and Services**	46.98	43.97	-3.01
14	Intellectual Property	47.33	46.06	-1.27
15	Relation with Courts of Justice	47.17	48.77	+1.60
16	Infrastructure	46.67	48.80	+2.13
17	Private Property	47.17	50.68	+3.52
18	Goods and Services Demand in Exports**	41.67	53.63	+11.96
19	Relation with Ministries	56.50	54.93	-1.57
20	Total Employment Change	47.82	55.28	+7.46
21	Relation with Local Government	56.17	55.46	-0.71
22	Goods and Services Demand	43.12	55.46	+12.34
23	Total Investments Change	49.16	55.99	+6.82
24	Order and Safety in the Country	53.33	57.02	+3.69
25	Relation with Tax Authorities	61.50	58.98	-2.52
26	Relation with Customs Authorities	57.89	62.15	+4.26
27	Energy Supply	67.33	66.10	-1.24
	Amcham Business Index	37.66	41.43	+3.77

DETAILED SURVEY RESULTS

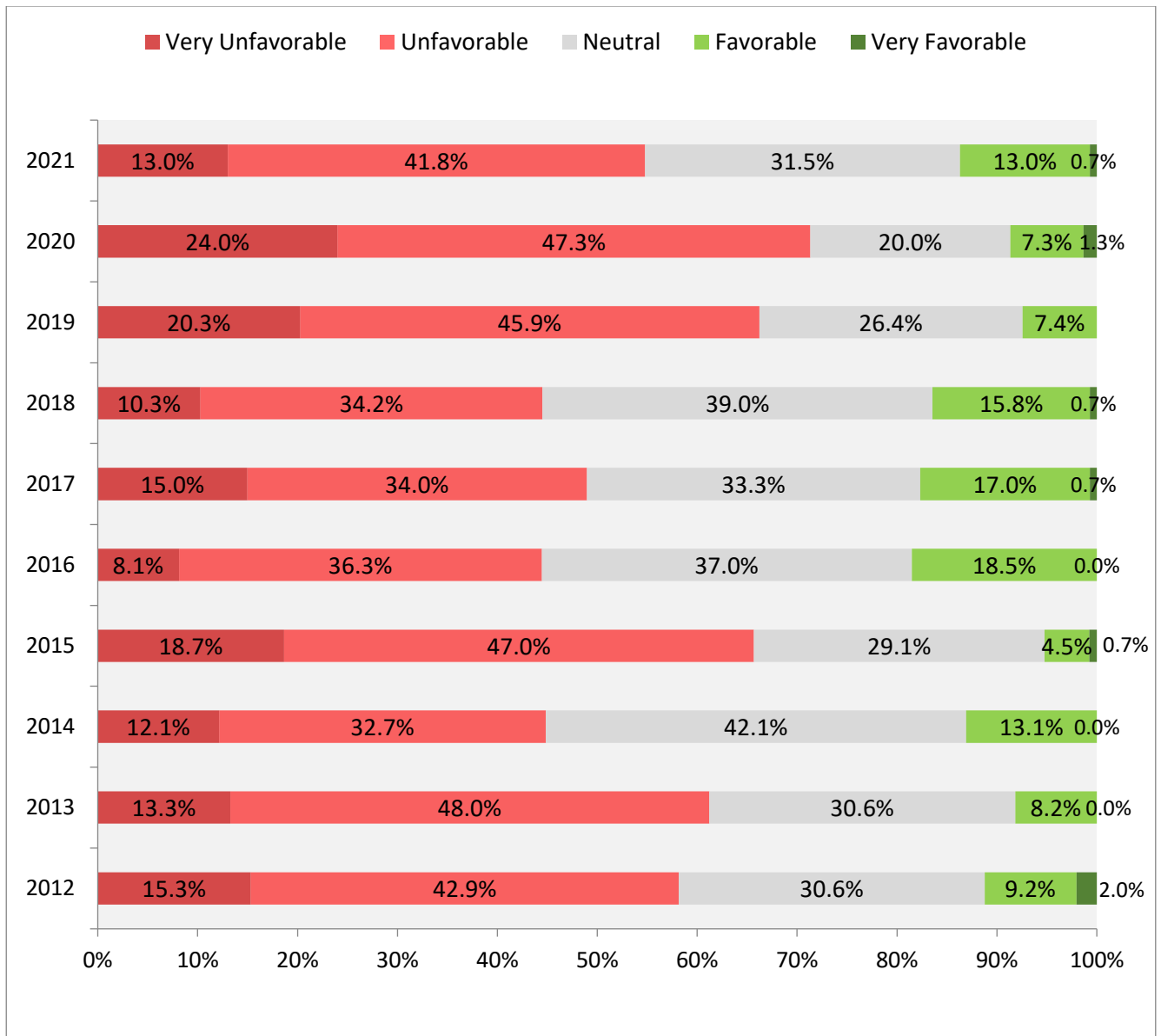
4 DETAILED SURVEY RESULTS

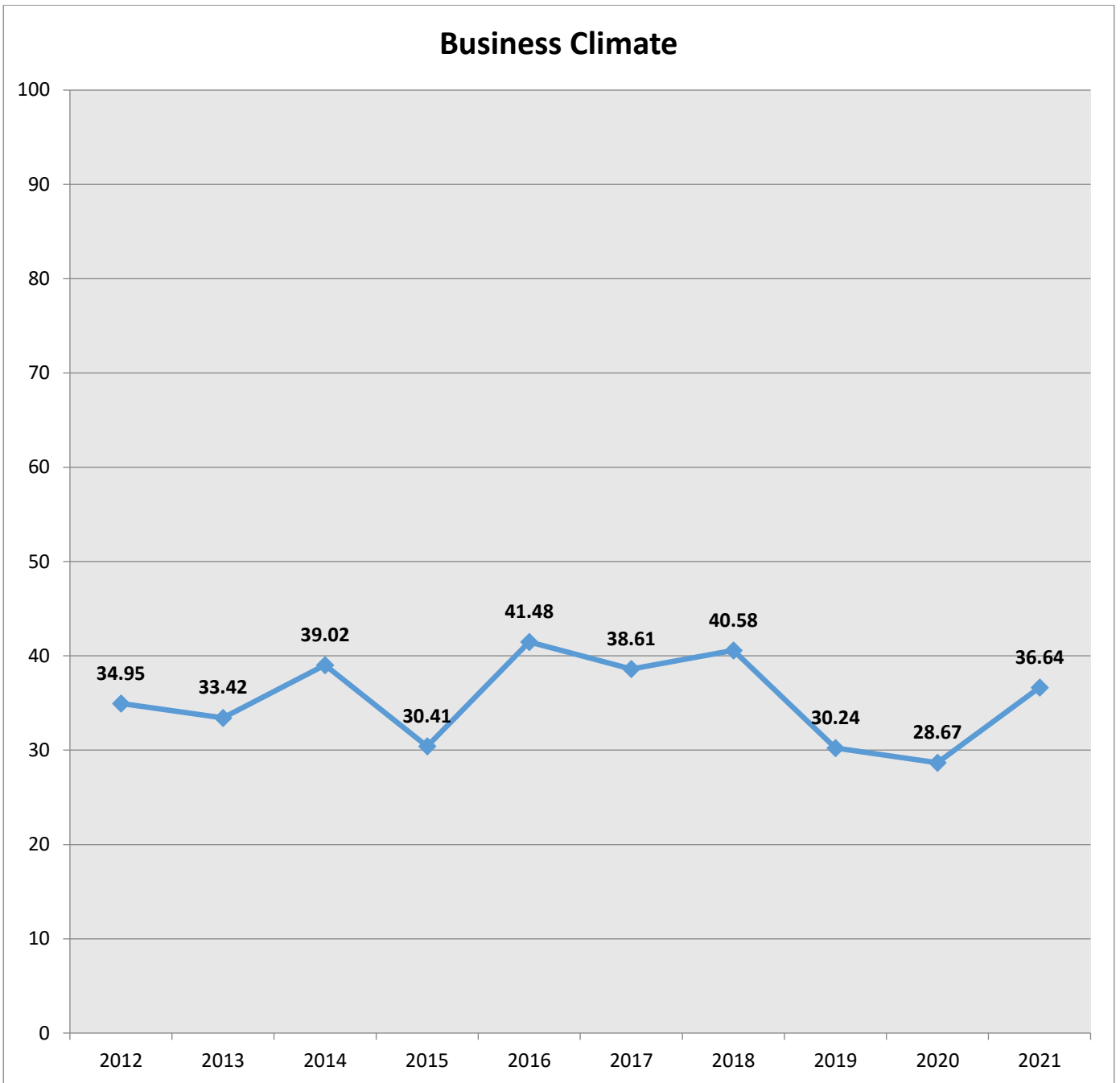
4.1 OVERALL BUSINESS CLIMATE

This section presents the opinion of AmCham Albania Members regarding the overall business climate in Albania during 2021 and their expectation for 2022.

Business Climate in Albania:

How was the business climate in Albania for the last year (2021)?

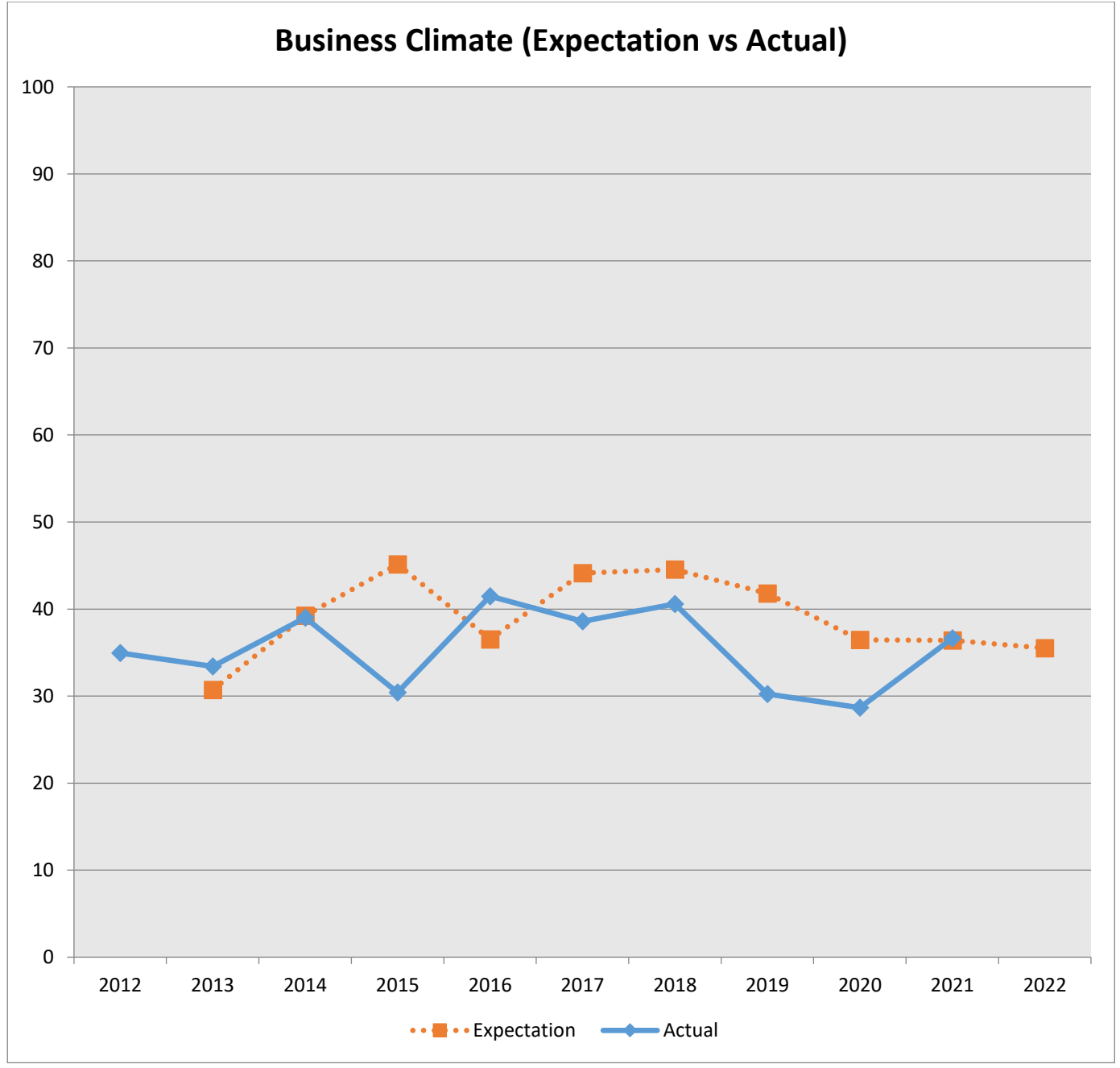




This chart shows the indicator evolution. **Higher scores indicate a better perception.**

The following graph shows the expectation of Amcham members for the *Business Climate* in 2022. The graph also compares the expectation vs the actual result for each previous year.

(The additional question was: *How do you expect the business climate in Albania to be in 2022?*)

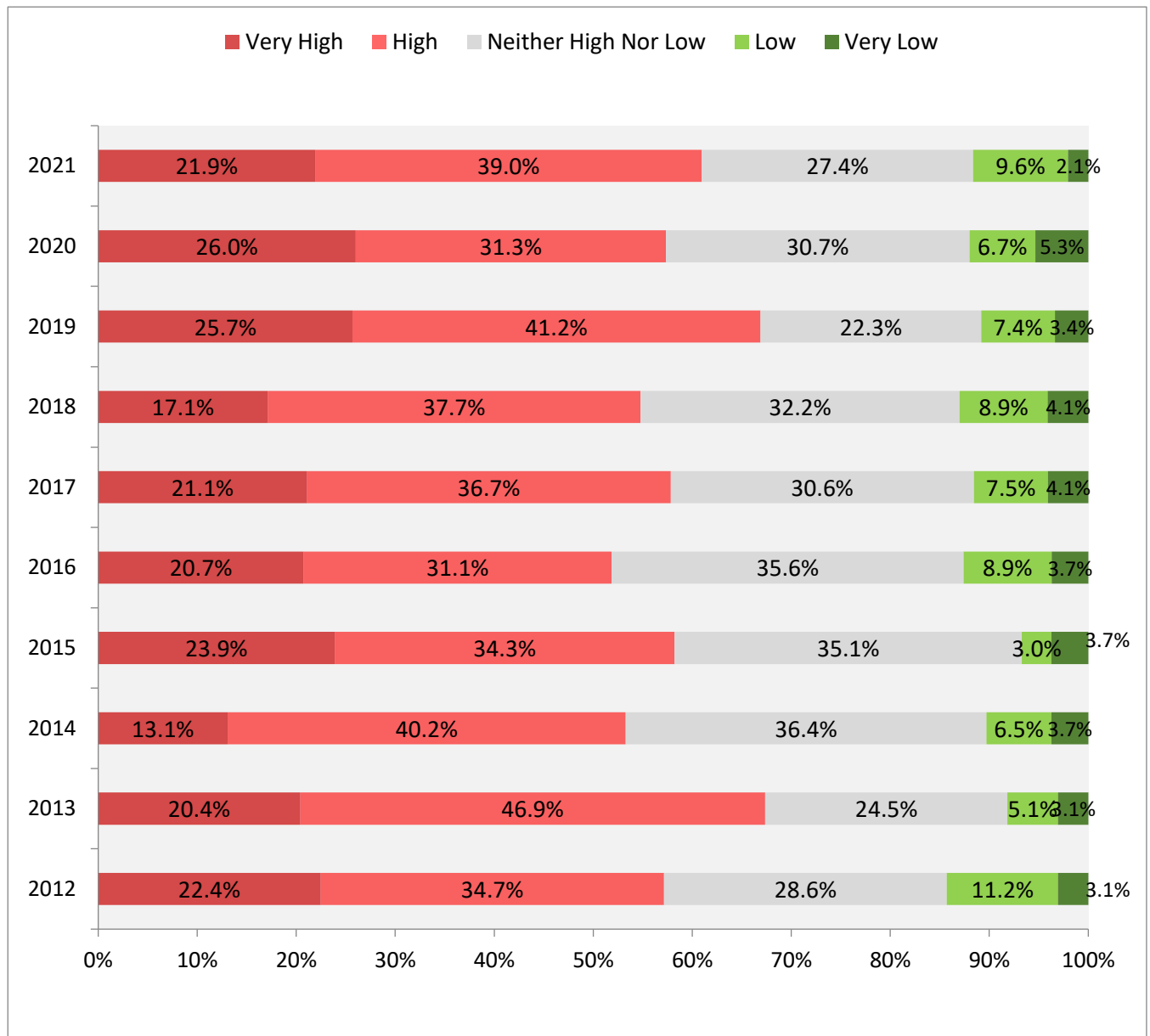


4.2 FACTORS IMPACTING THE BUSINESS CLIMATE

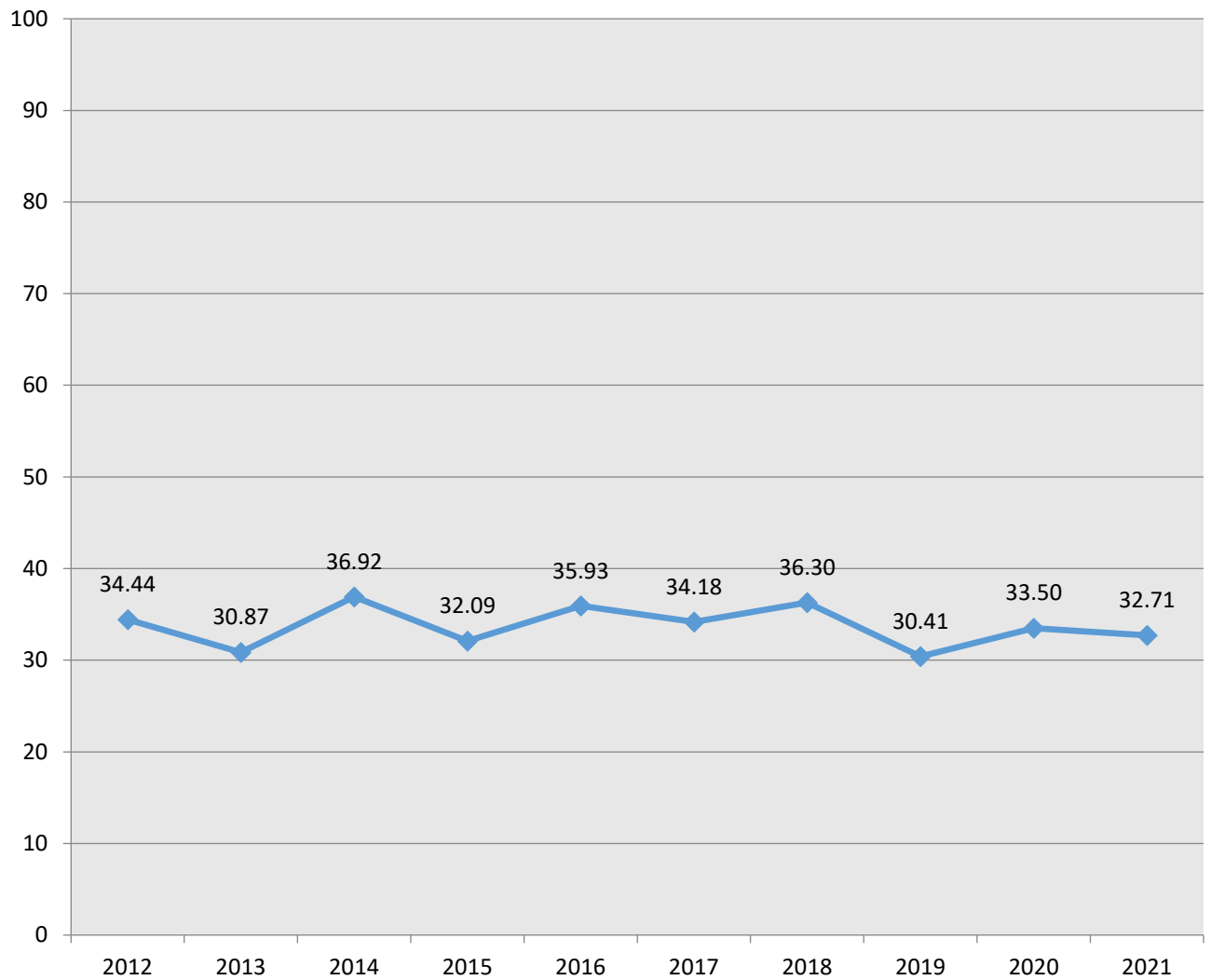
This section of the report shows the opinion of AmCham members in regards to the factors that play an important role in the business climate and their business activities like informal economy, government bureaucracy, monopoly and unfair competition, corruption, etc.

4.2.1 Corruption

Please rate the Corruption level for the last year (2021) in relation to your business activity?



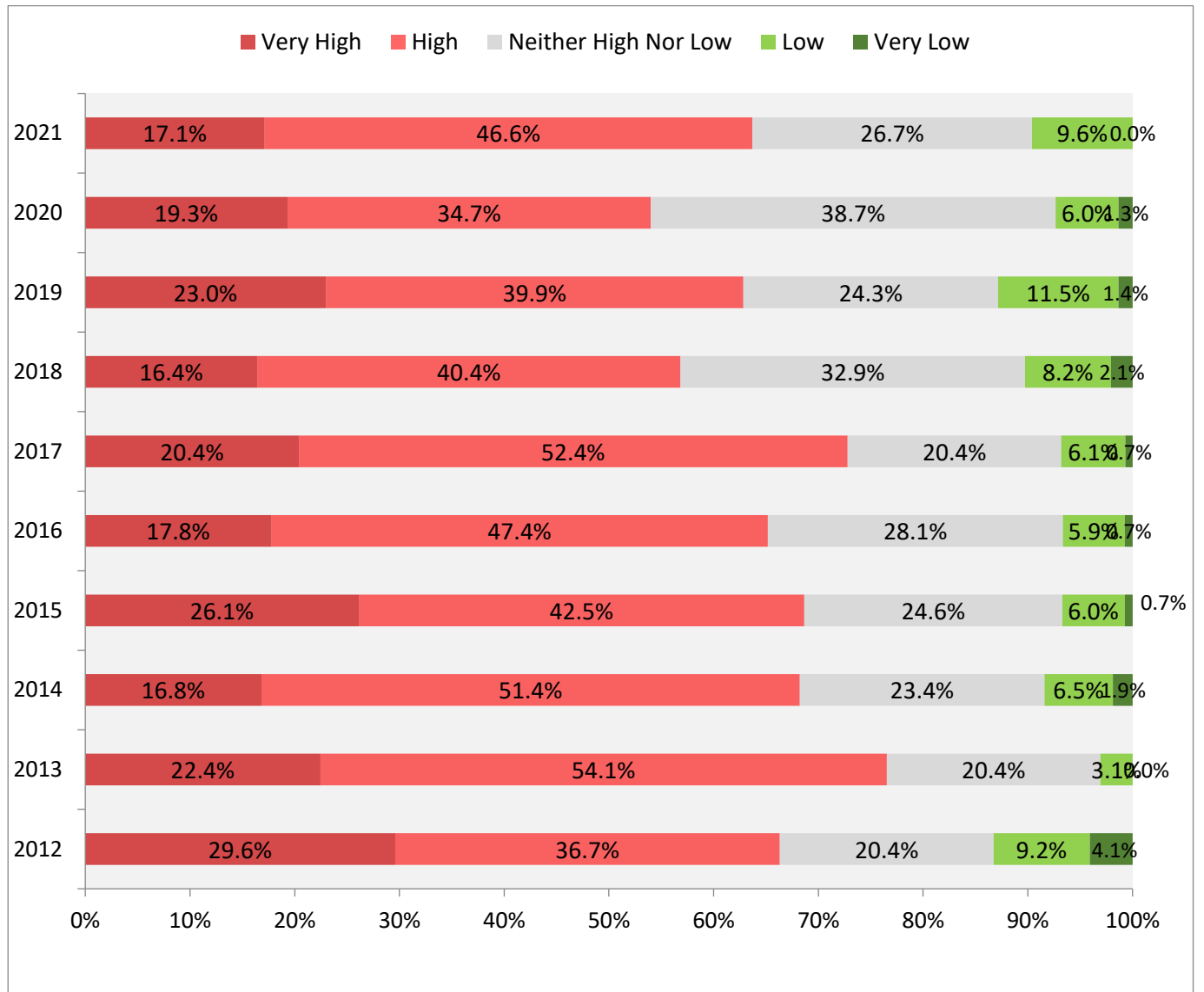
Perception of Corruption



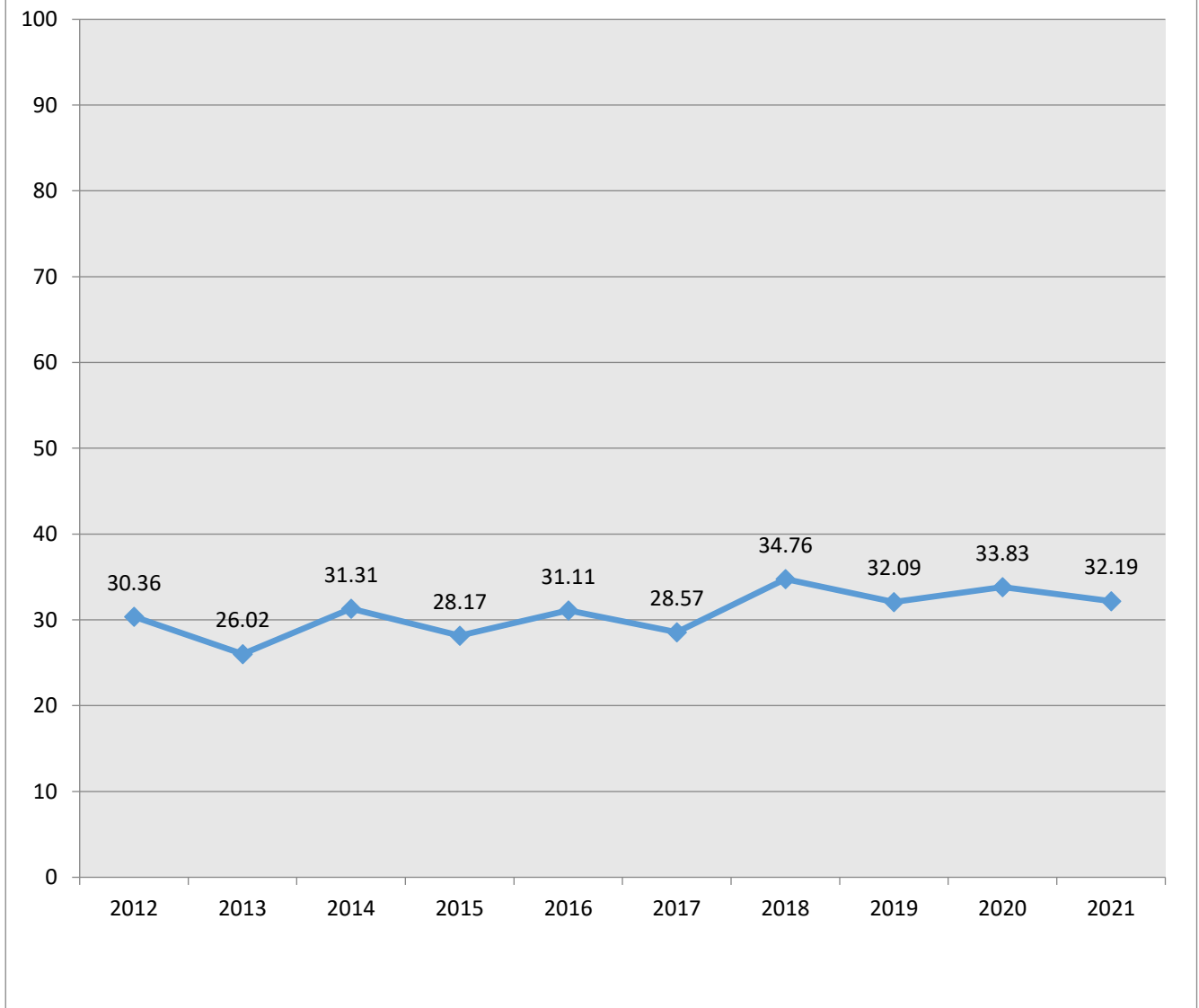
This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.2.2 Government Bureaucracy Level

Please rate the Government bureaucracy for the last year (2021) in relation to your business activity?



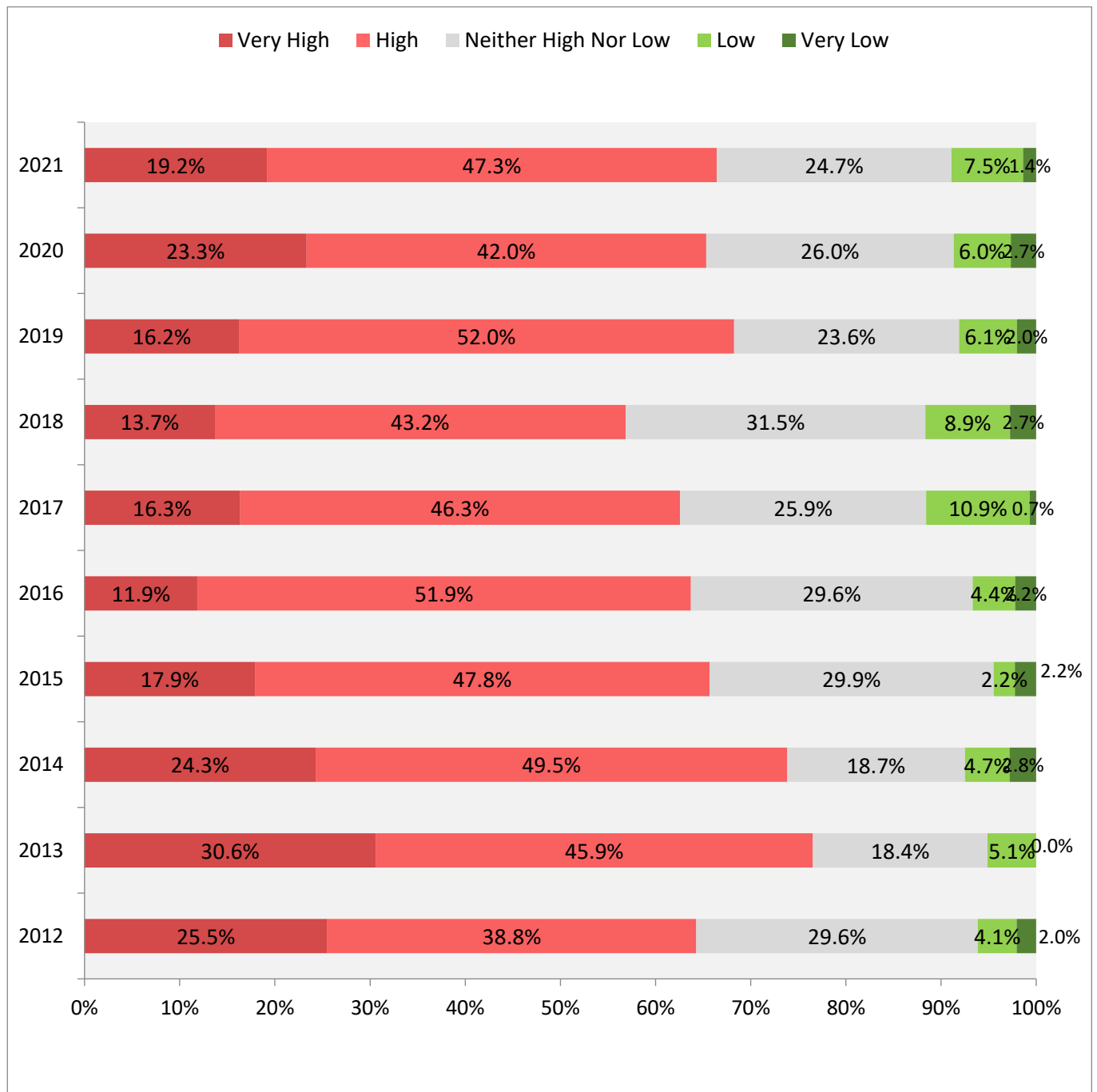
Government Bureaucracy

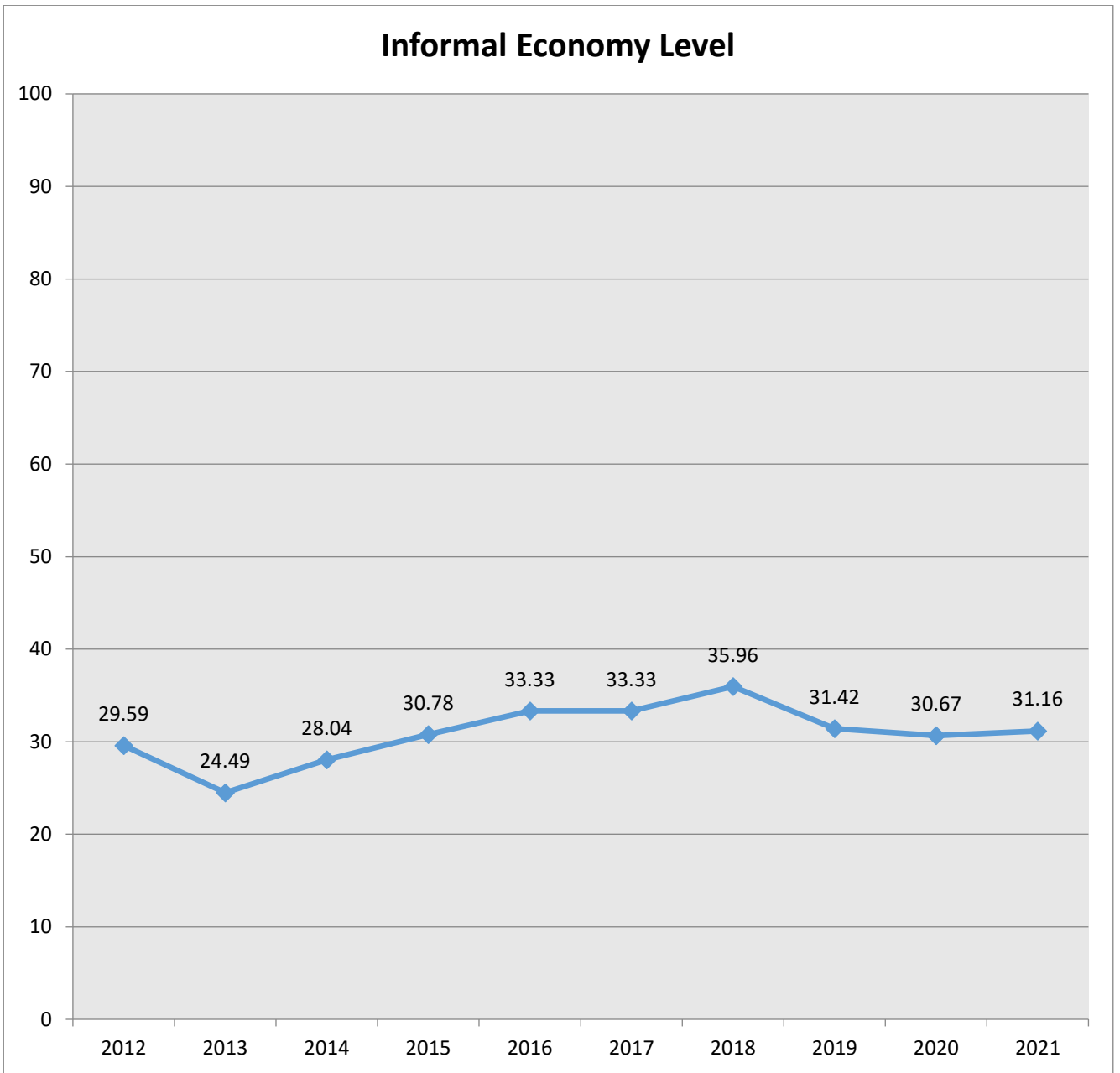


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.2.3 Informal Economy Level

Please rate the Informal economy level for the last year (2021) in relation to your business activity?

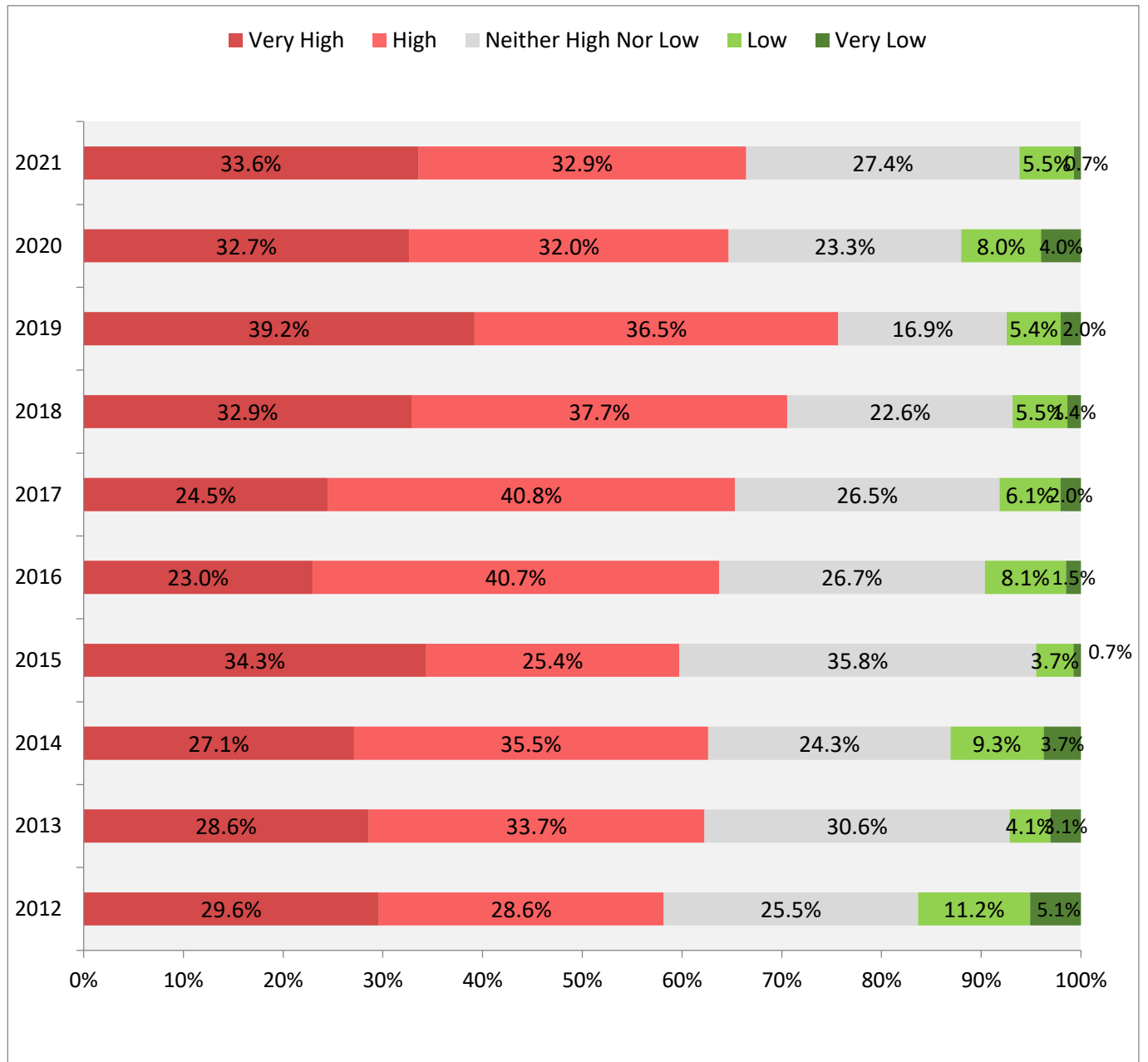


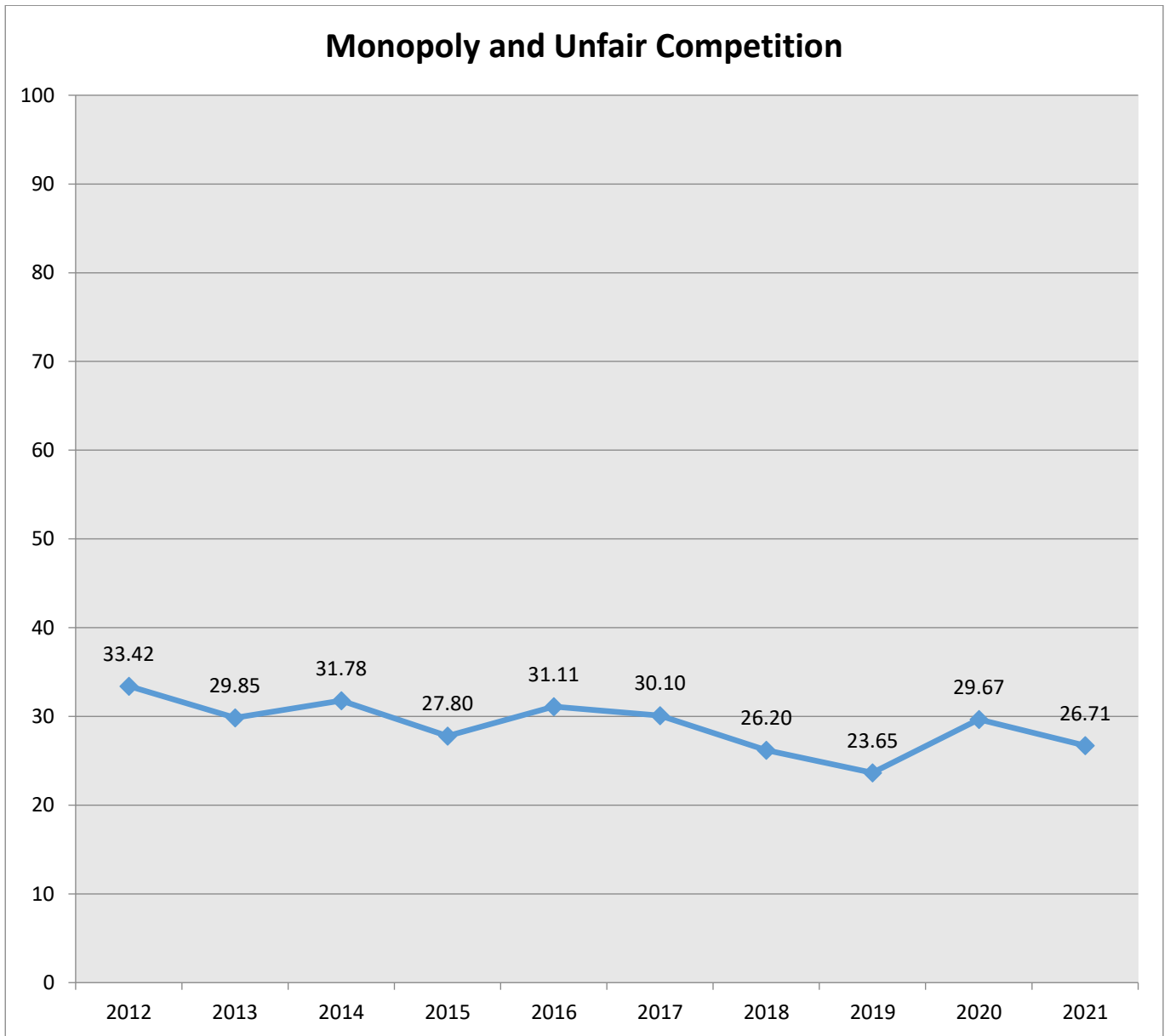


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.2.4 Monopoly and Unfair Competition Level

Please rate the Monopoly and unfair competition level for the last year (2021) in relation to your business activity?

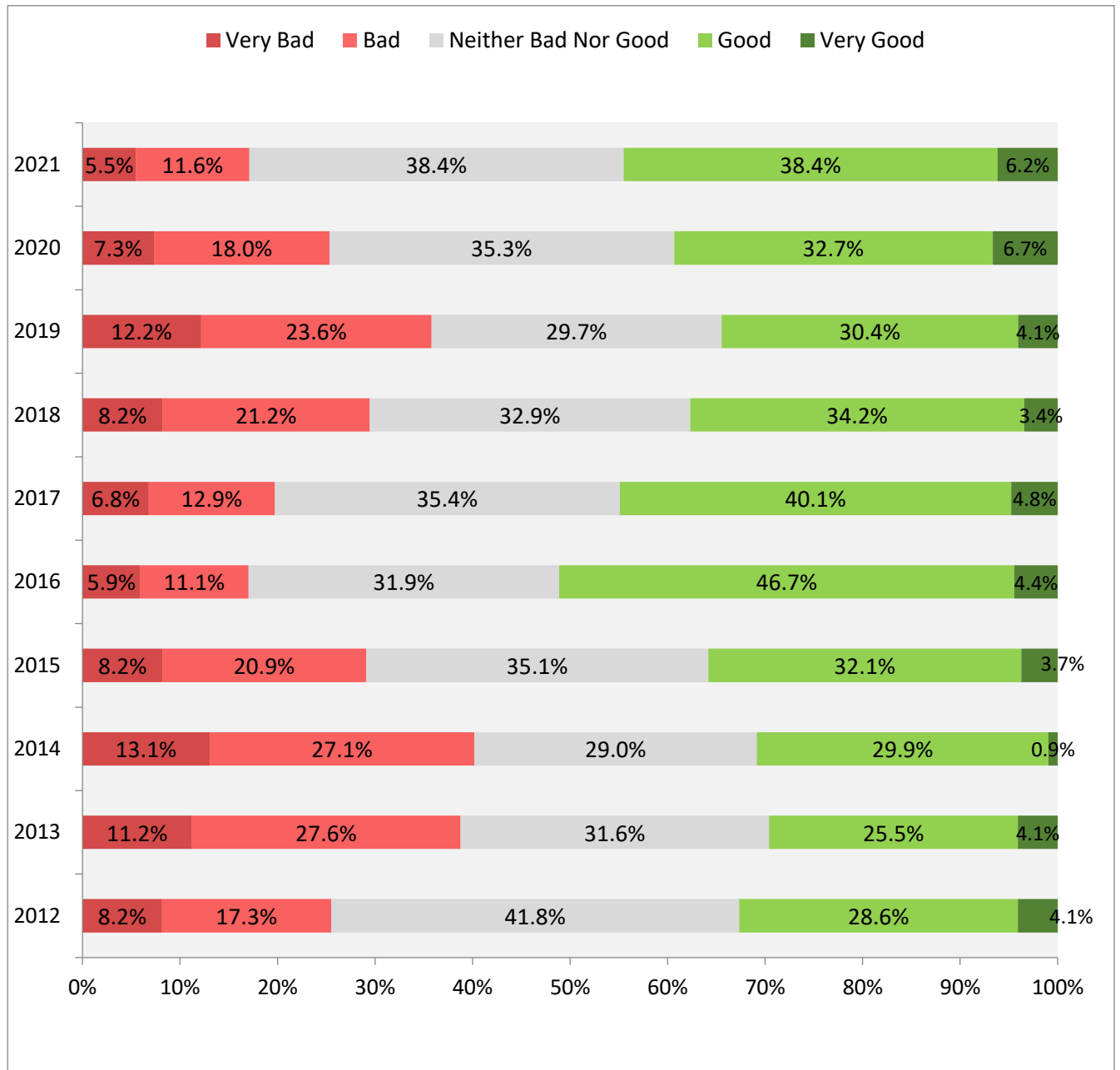


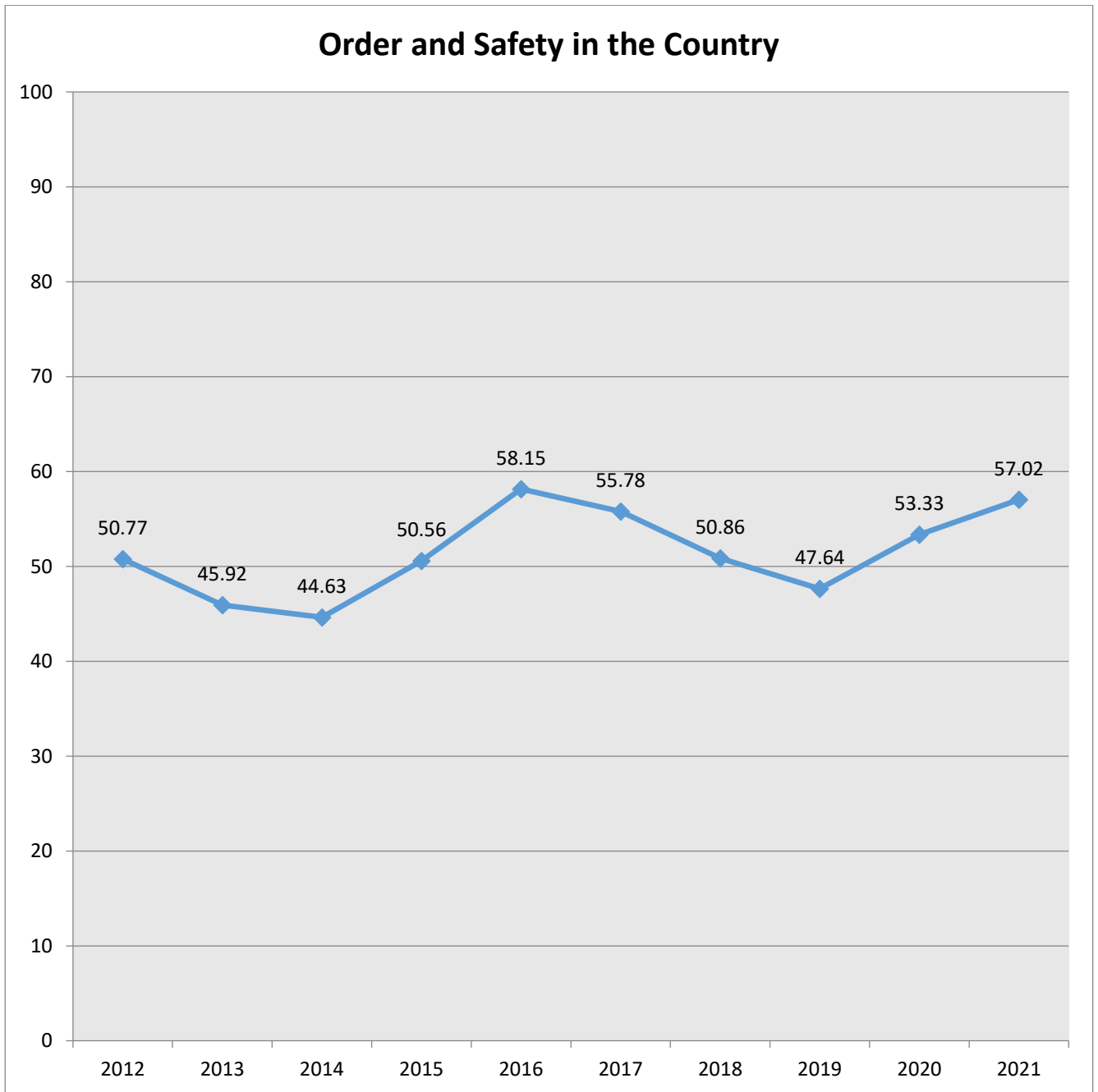


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.2.5 Order and Safety in the Country

Please rate the Order and safety factor in the country for the last year (2021) in relation to your business activity?

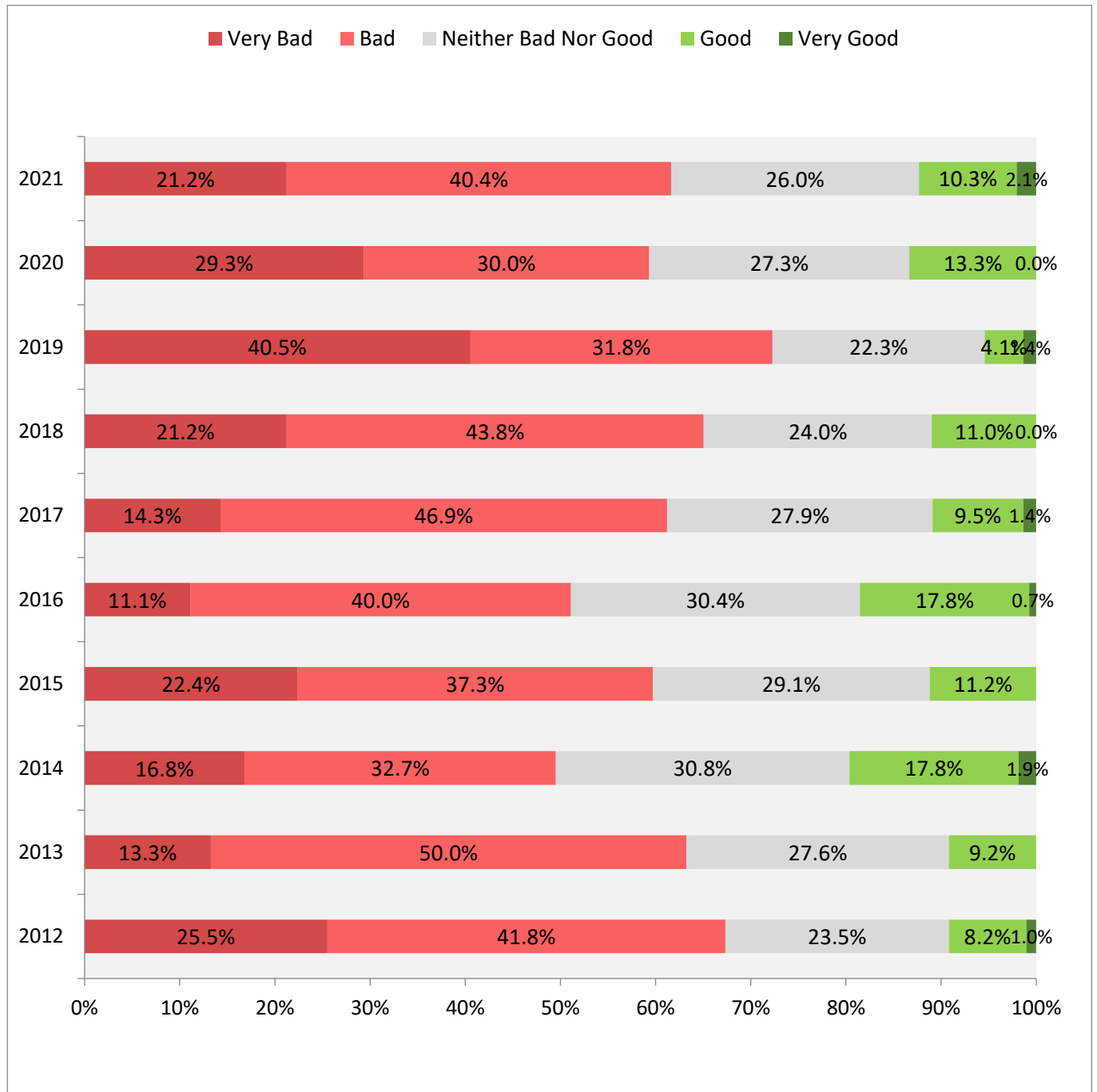


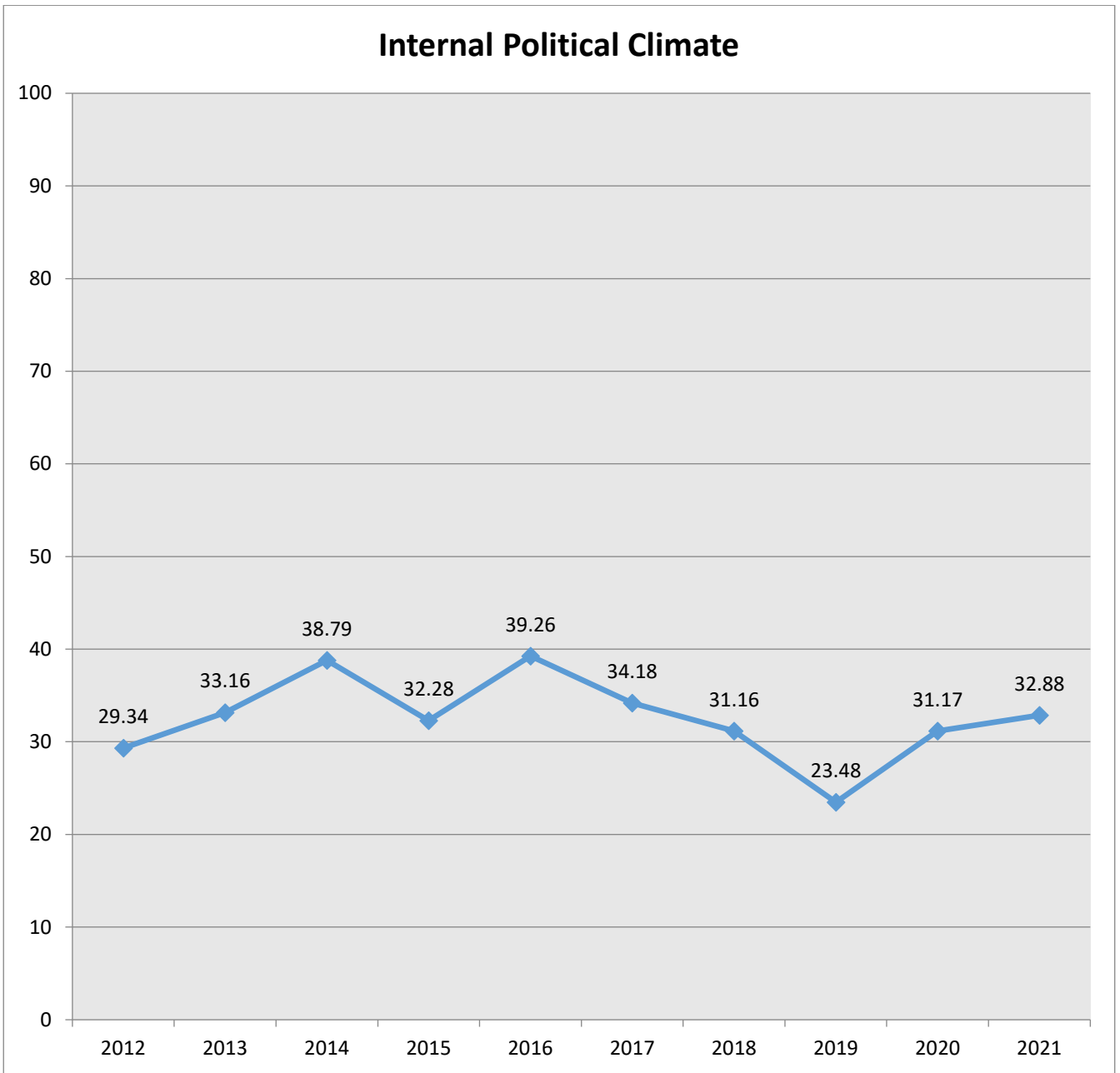


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.2.6 Internal Political Climate

Please rate the internal political climate for the last year (2021) in relation to your business activity?

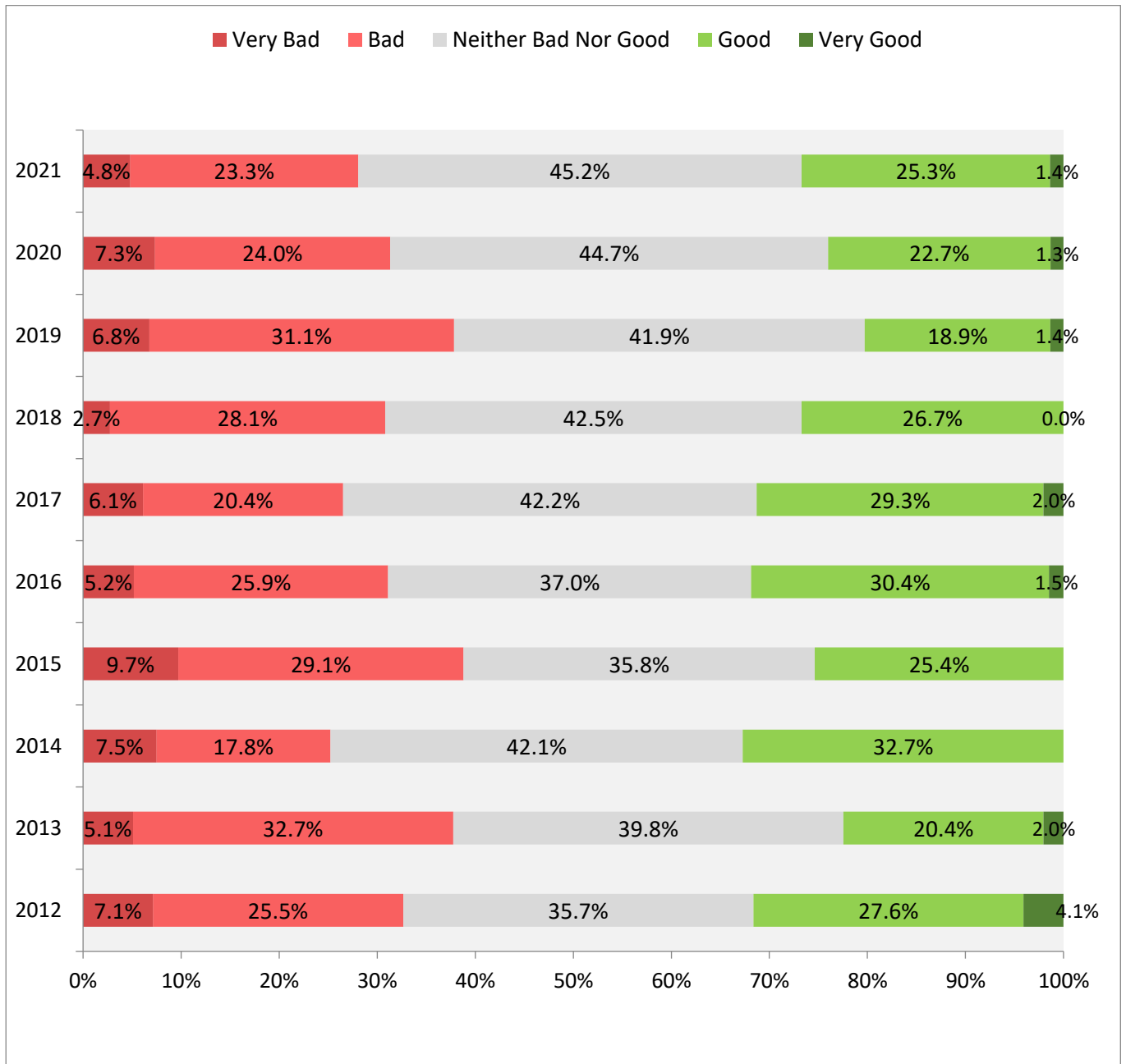


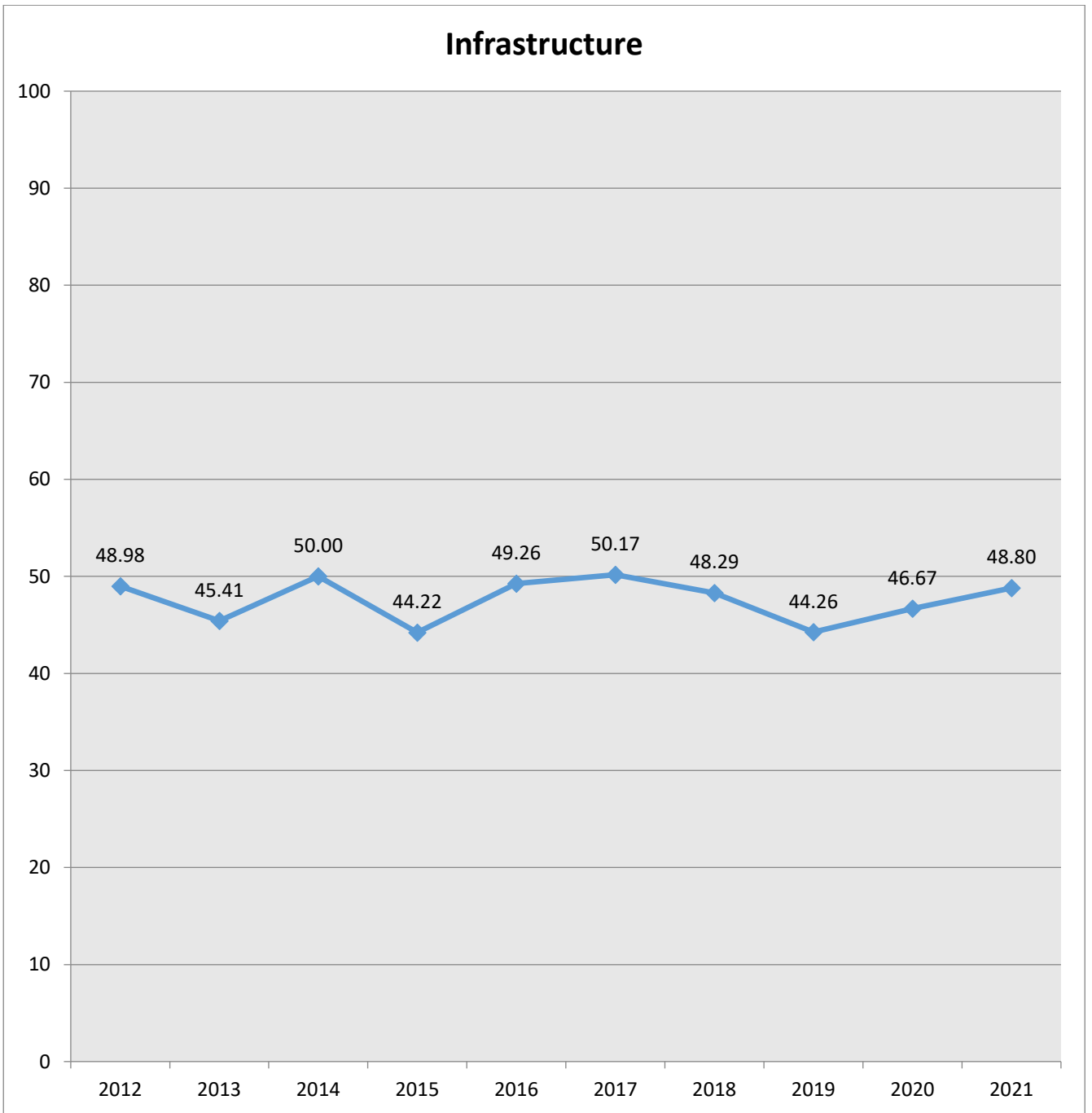


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.2.7 Infrastructure

Please rate the infrastructure factor for the last year (2021) in relation to your business activity?

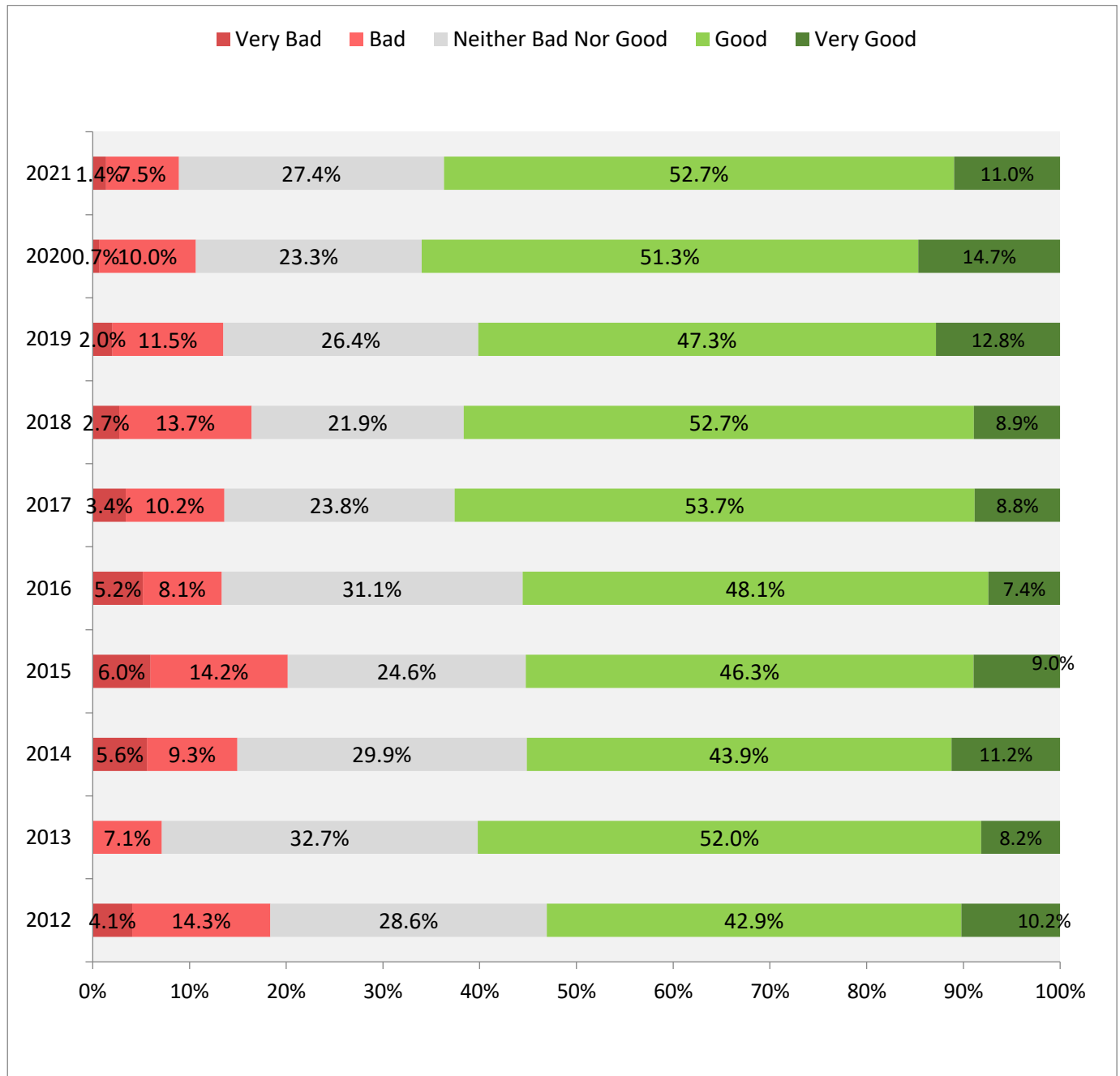


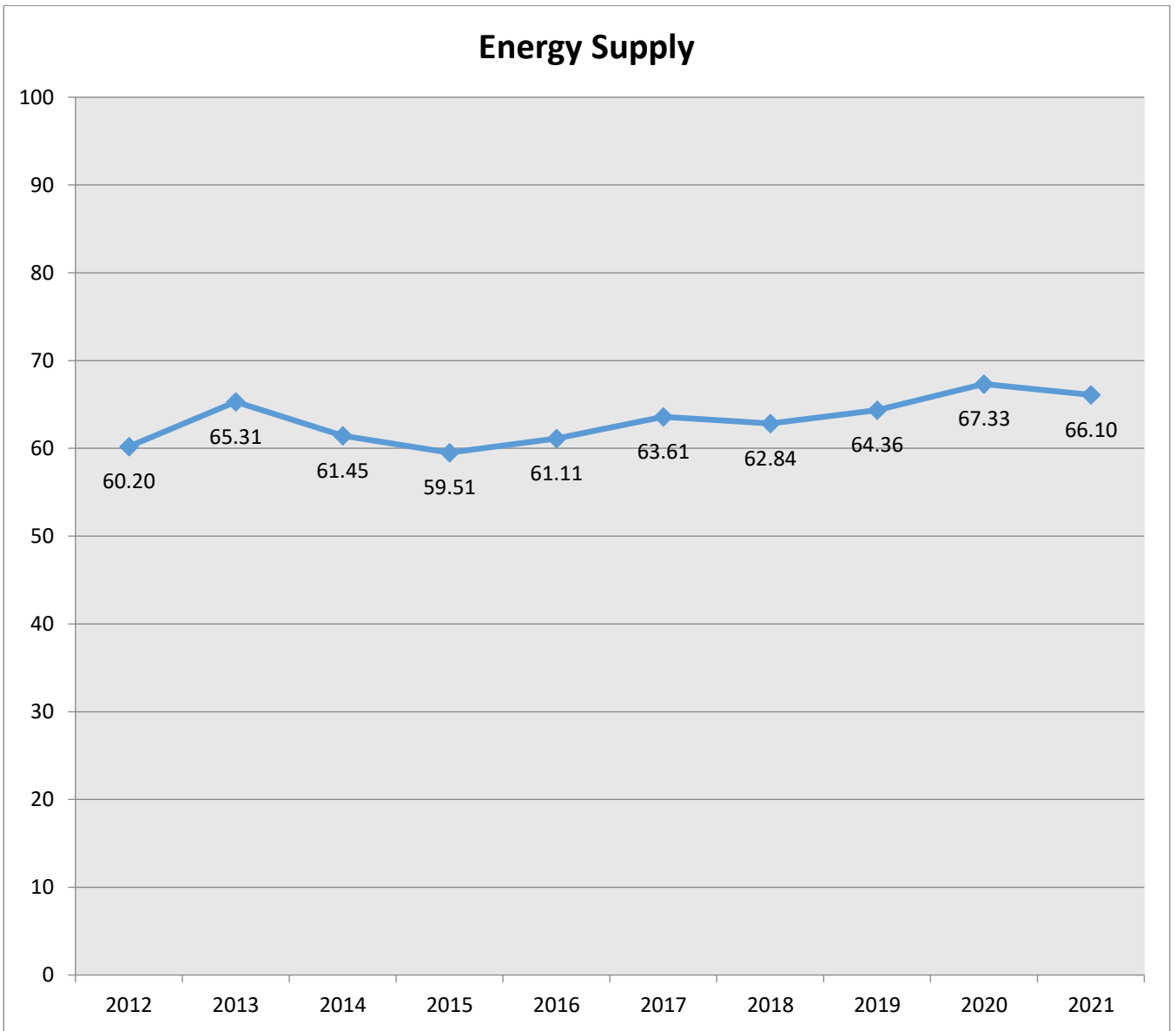


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.2.8 Energy Supply

Please rate the Energy supply factor for the last year (2021) in relation to your business activity?

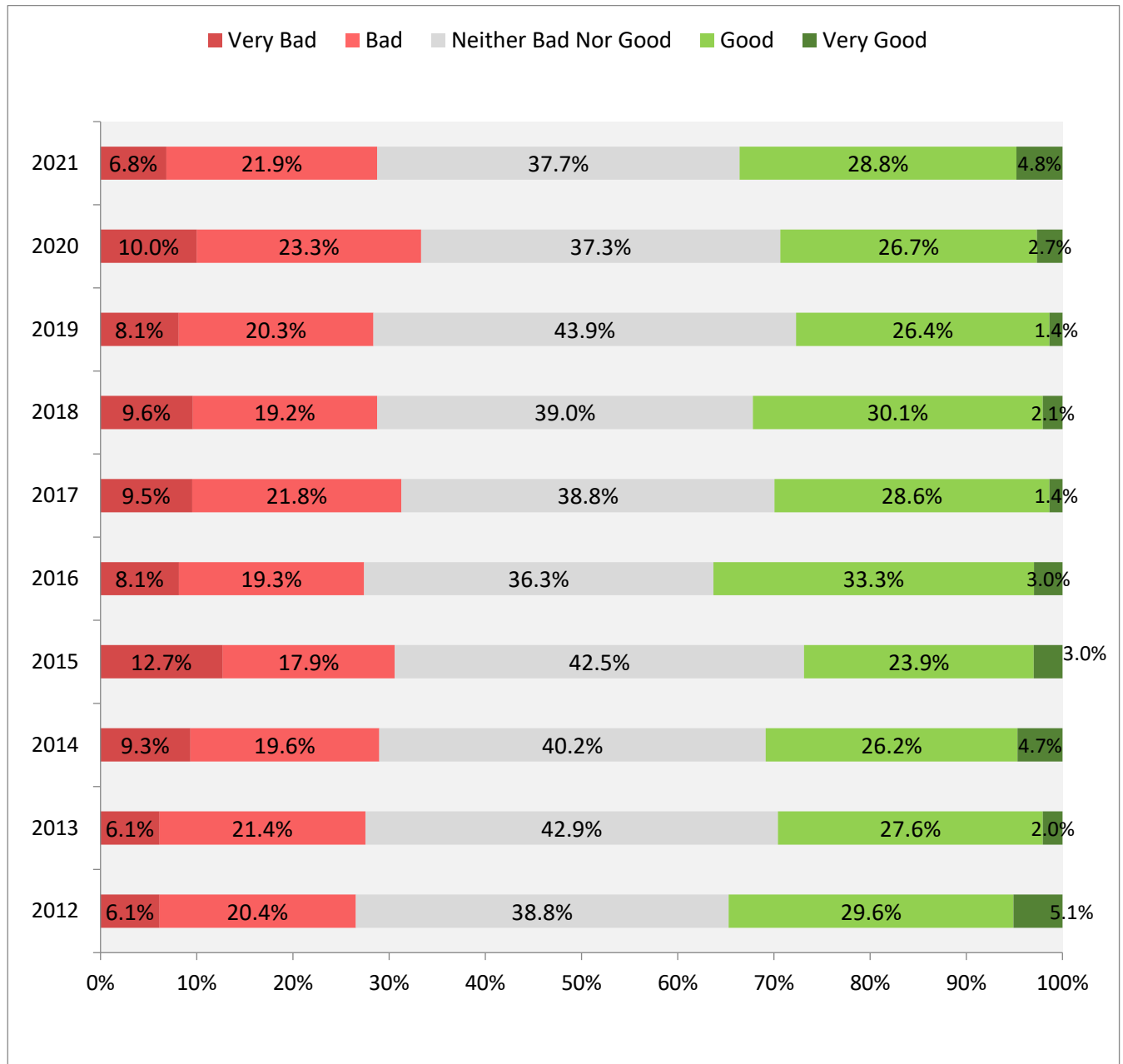


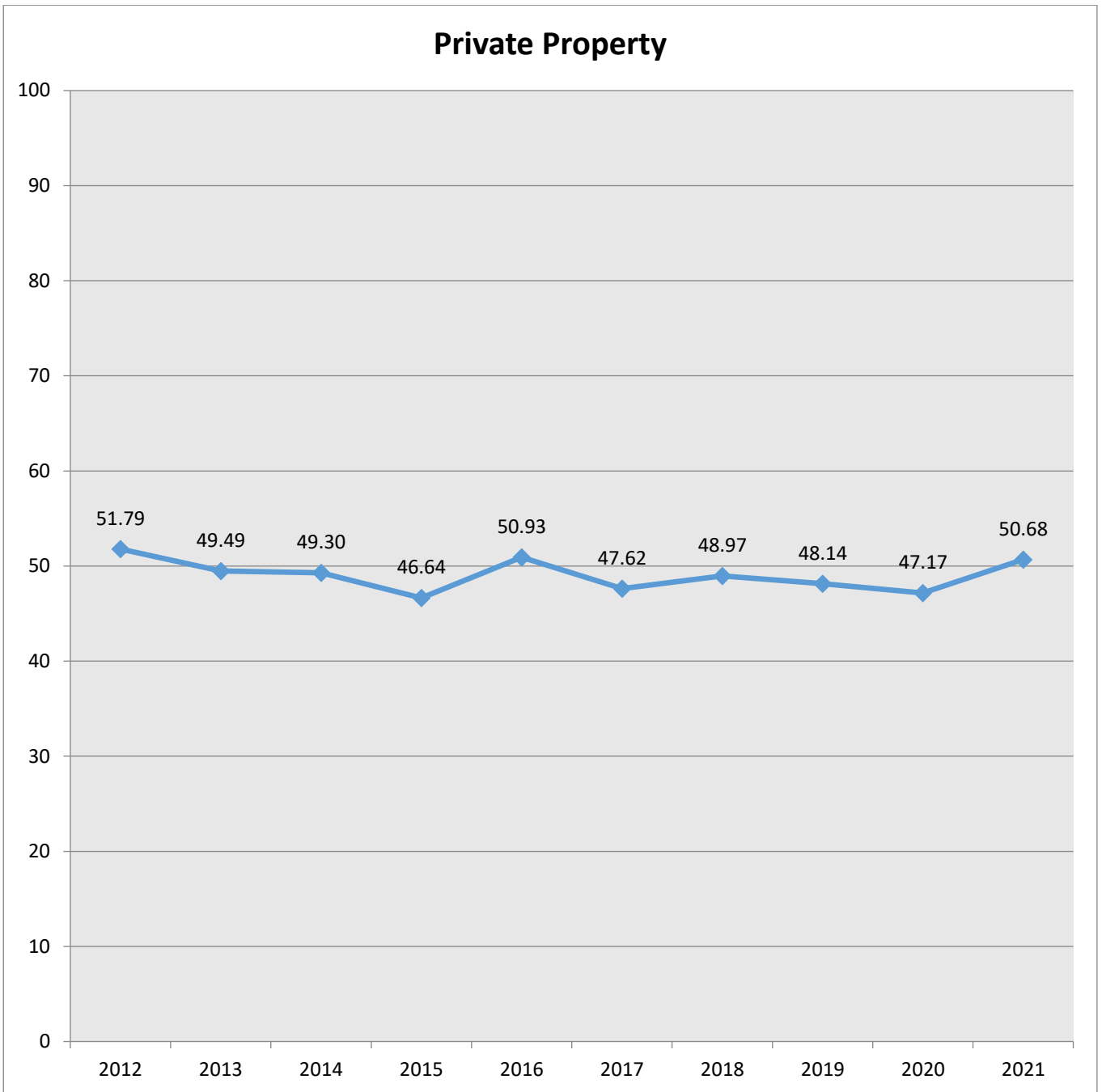


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.2.9 Private Property

Please rate the Private property factor for the last year (2021) in relation to your business activity?

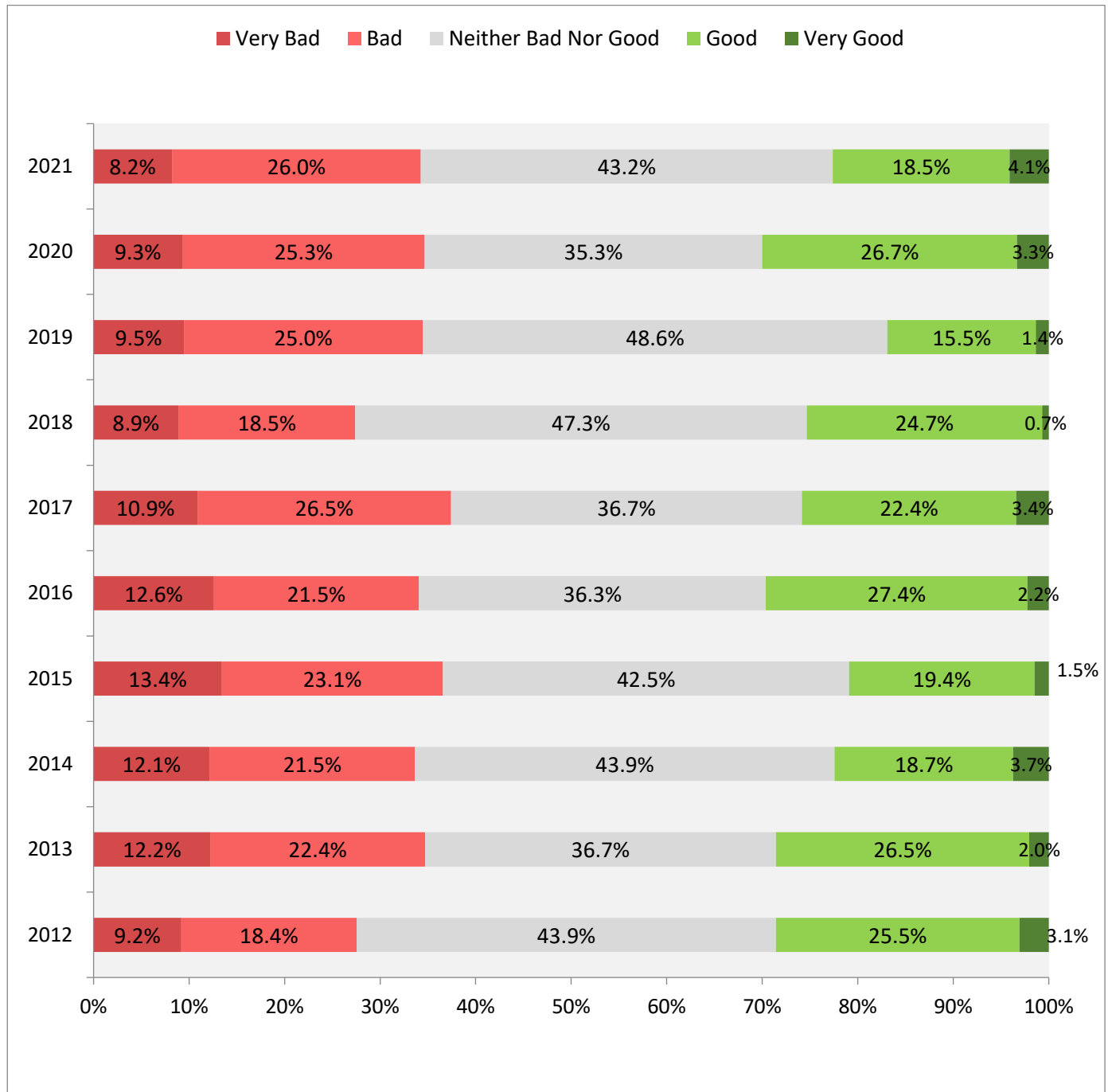


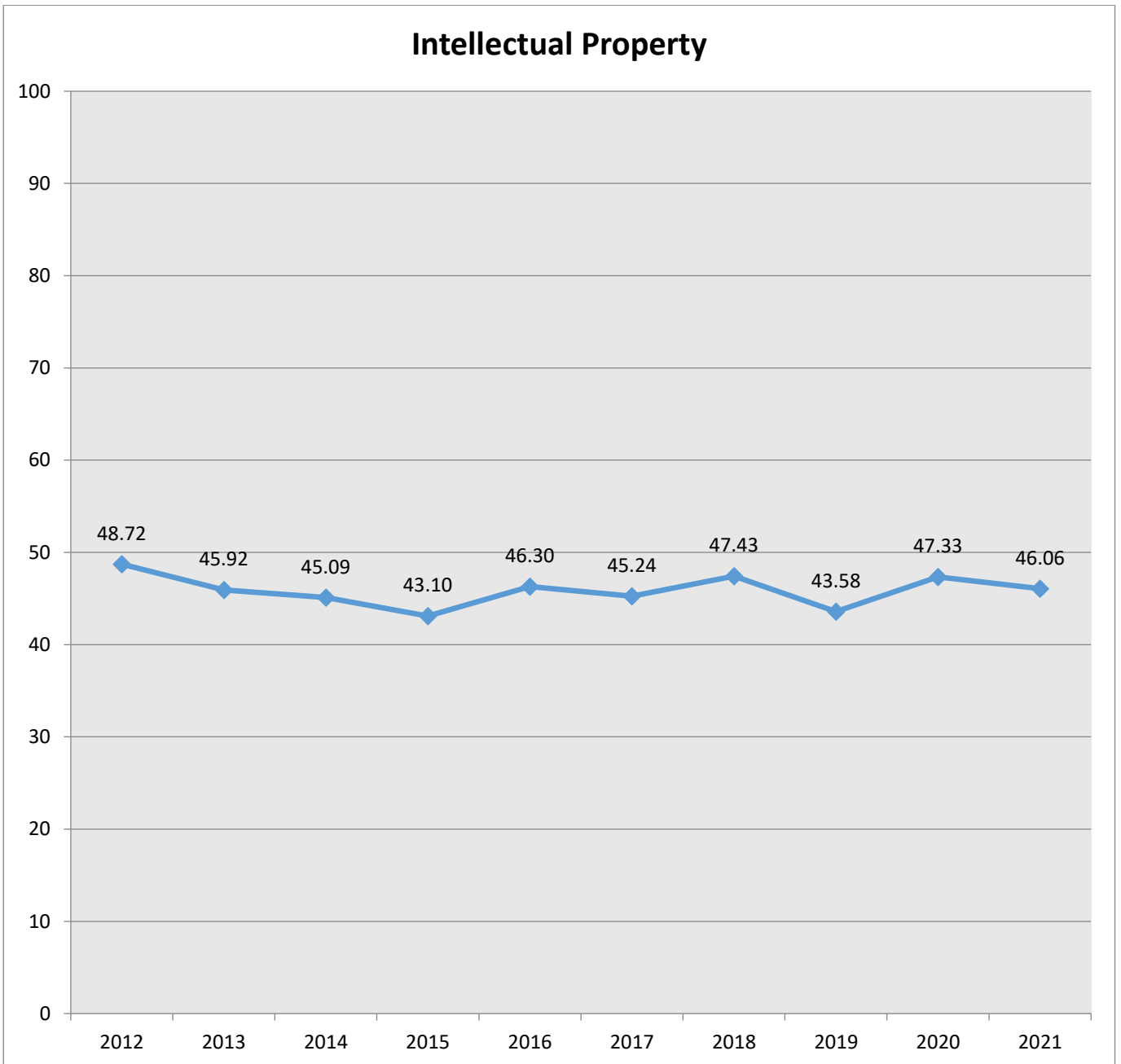


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.2.10 Intellectual Property

Please rate the Intellectual Property factor for the last year (2021) in relation to your business activity?





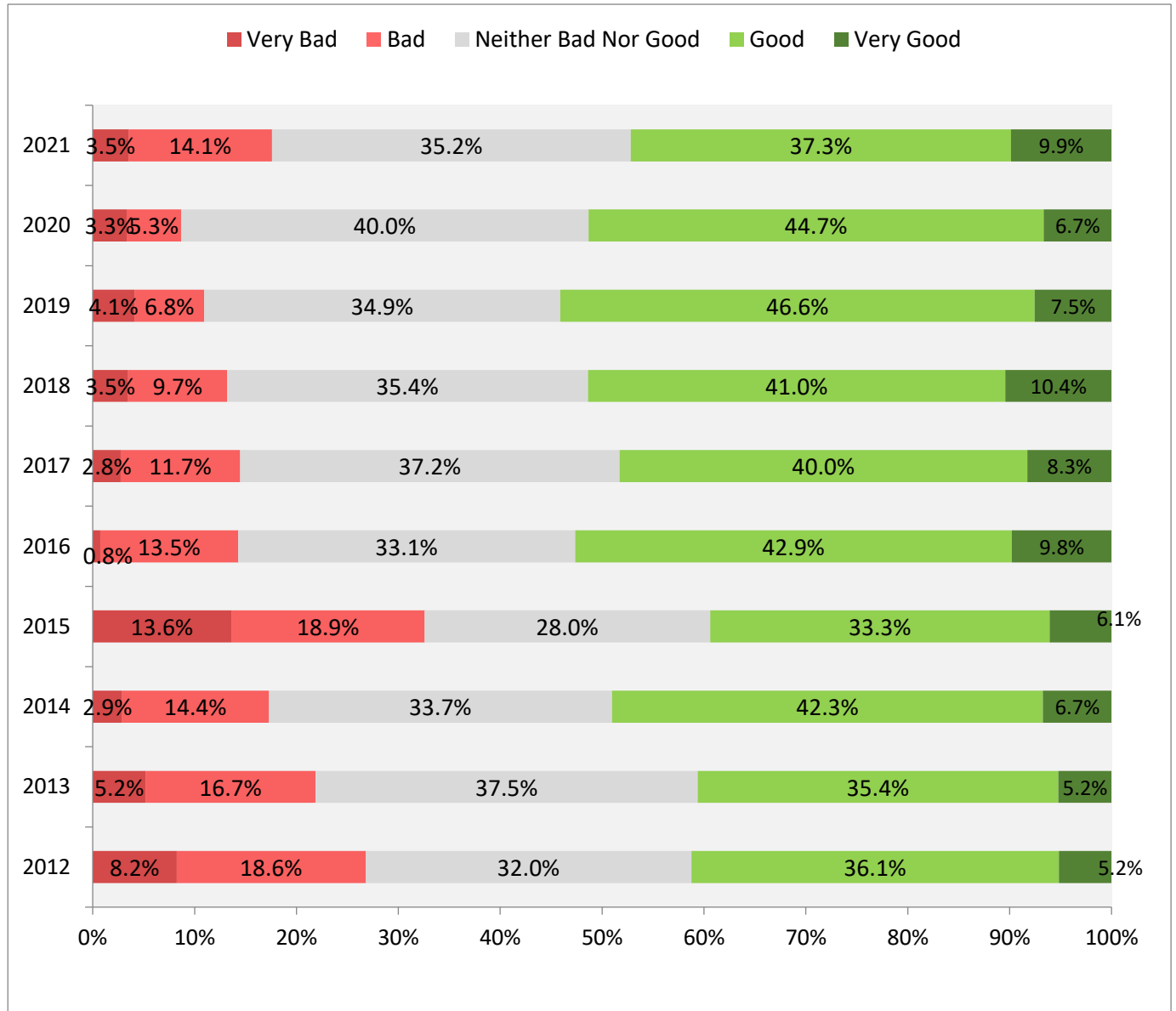
This chart shows the indicator evolution. **Higher scores indicate a better perception.**

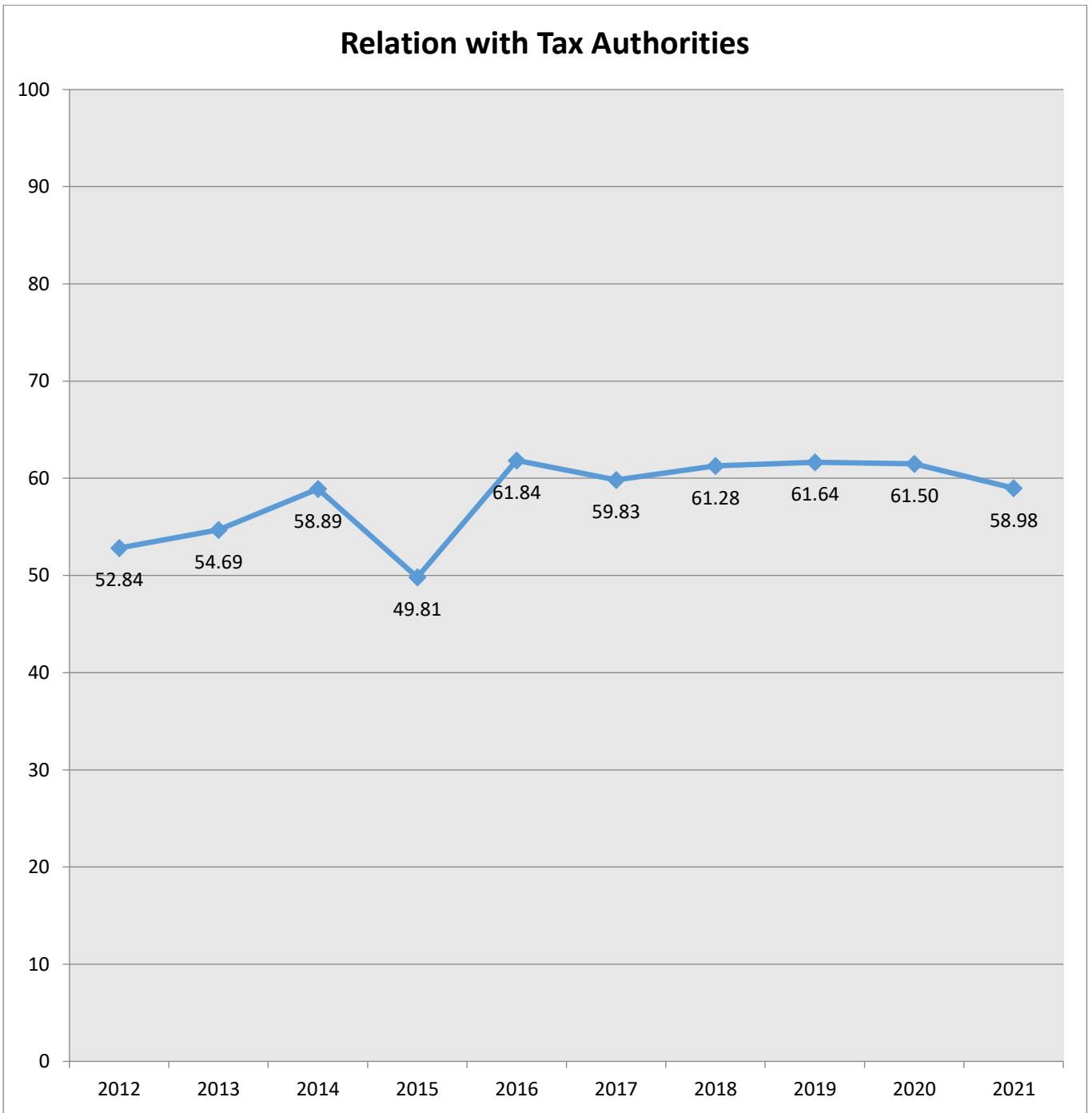
4.3 RELATION WITH PUBLIC AUTHORITIES

This section reports the opinion of the respondents regarding their relation with central and local government institutions.

4.3.1 Relation with Tax Authorities

How was the relation of your business with tax authorities for the last year (2021)?

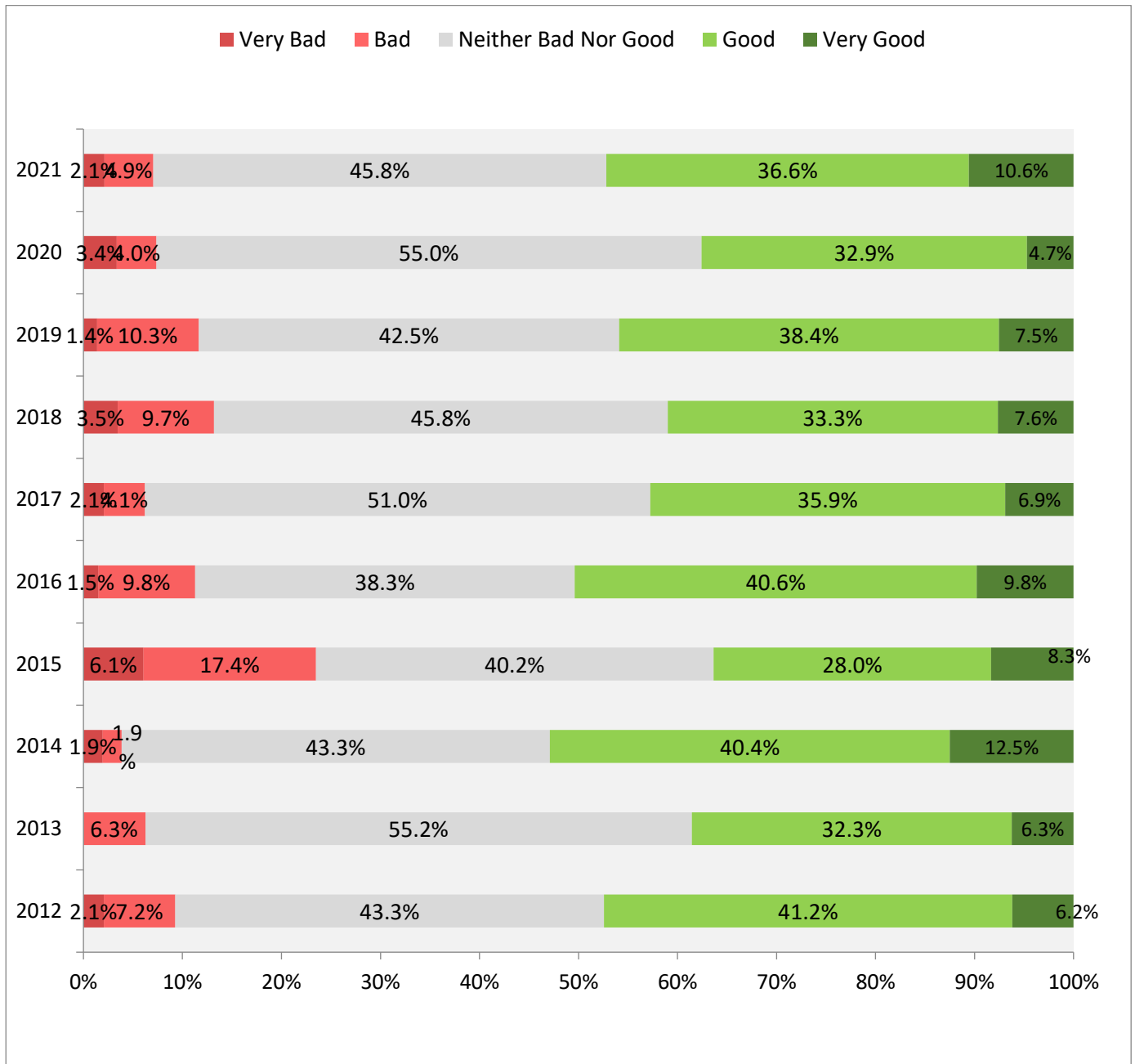


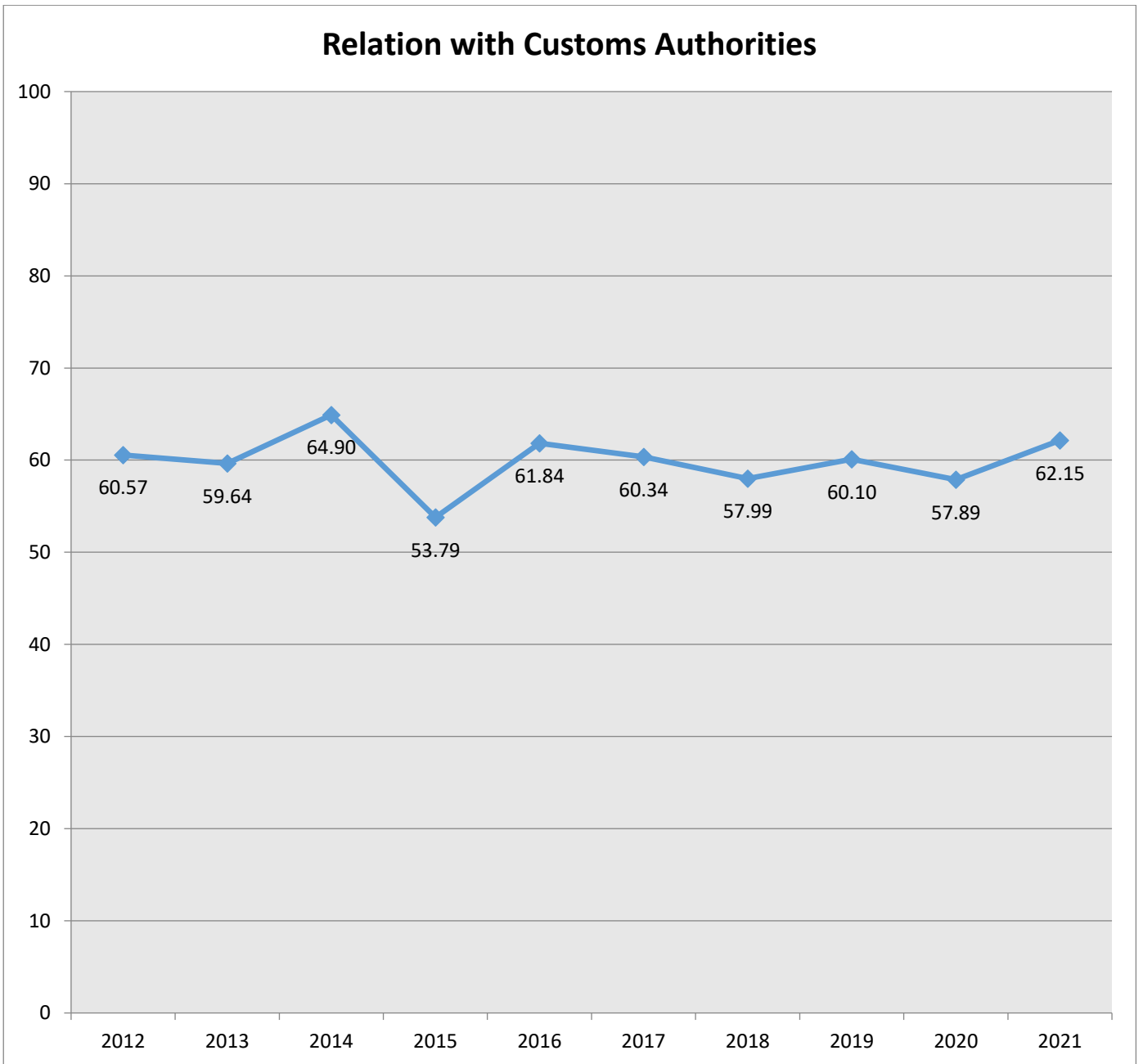


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.3.2 Relation with Customs Authorities

How was the relation of your business with the customs authorities for the last year (2021)?

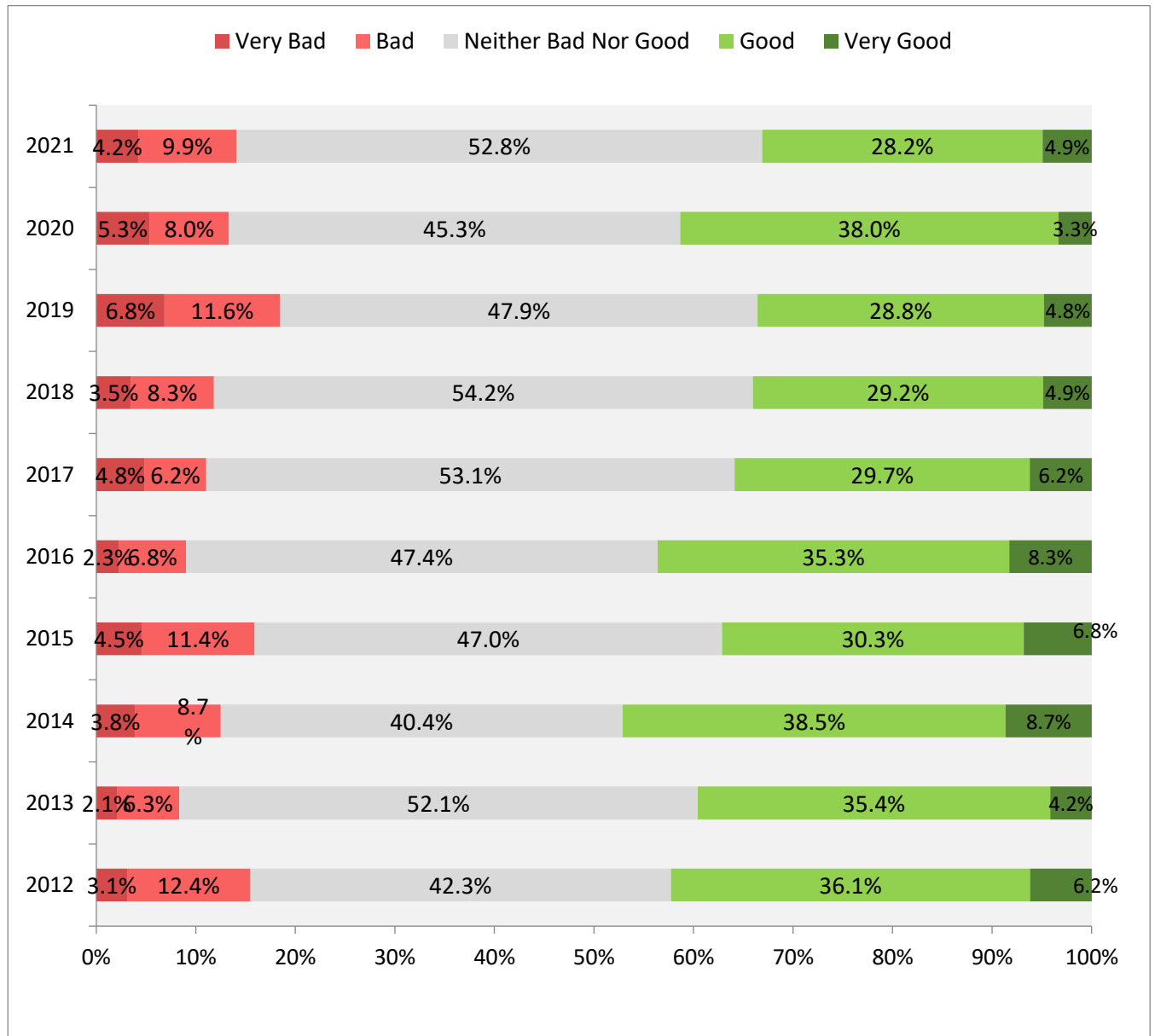


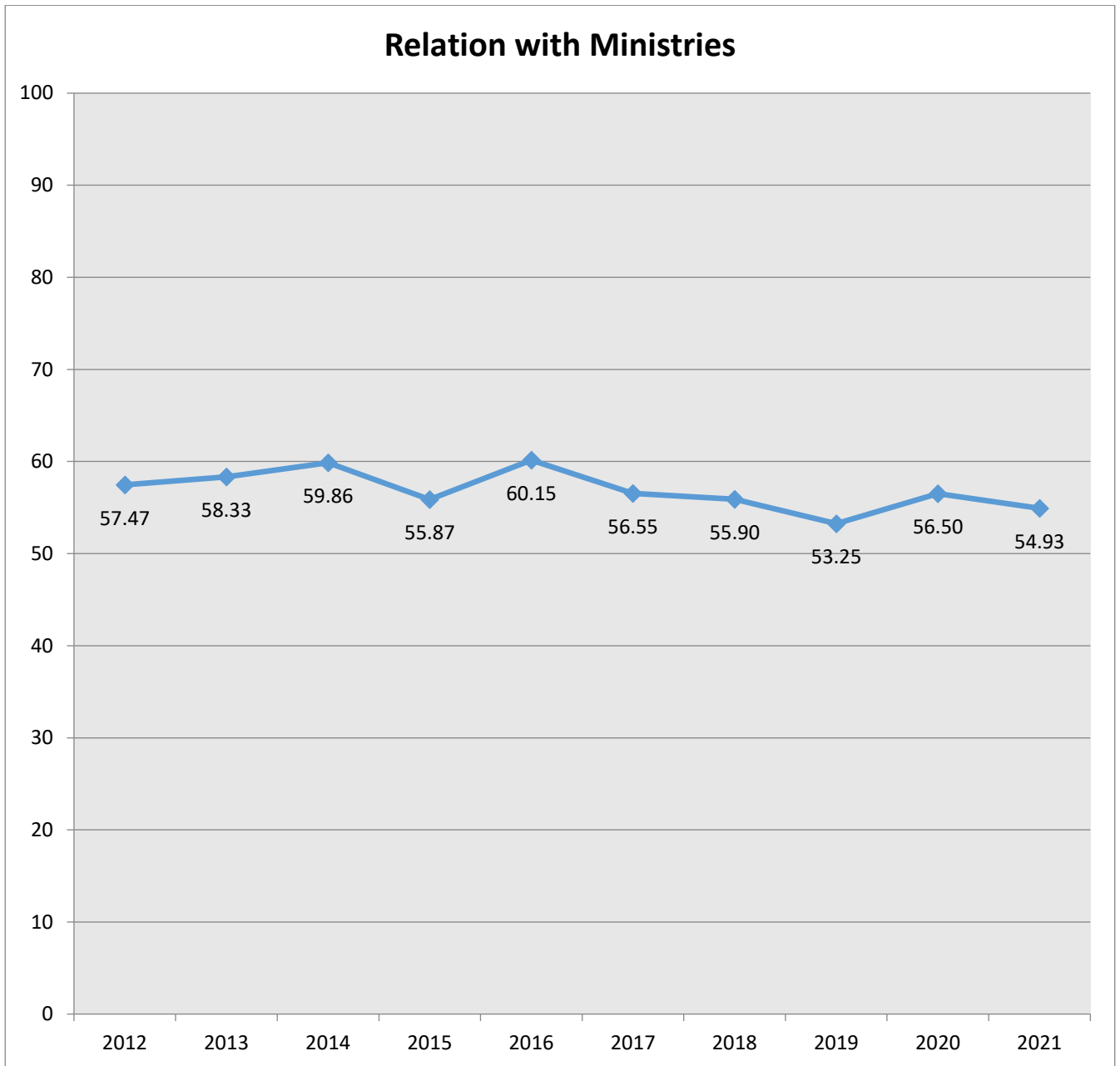


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.3.3 Relation with Ministries

How was the relation of your business with Ministries for the last year (2021)?

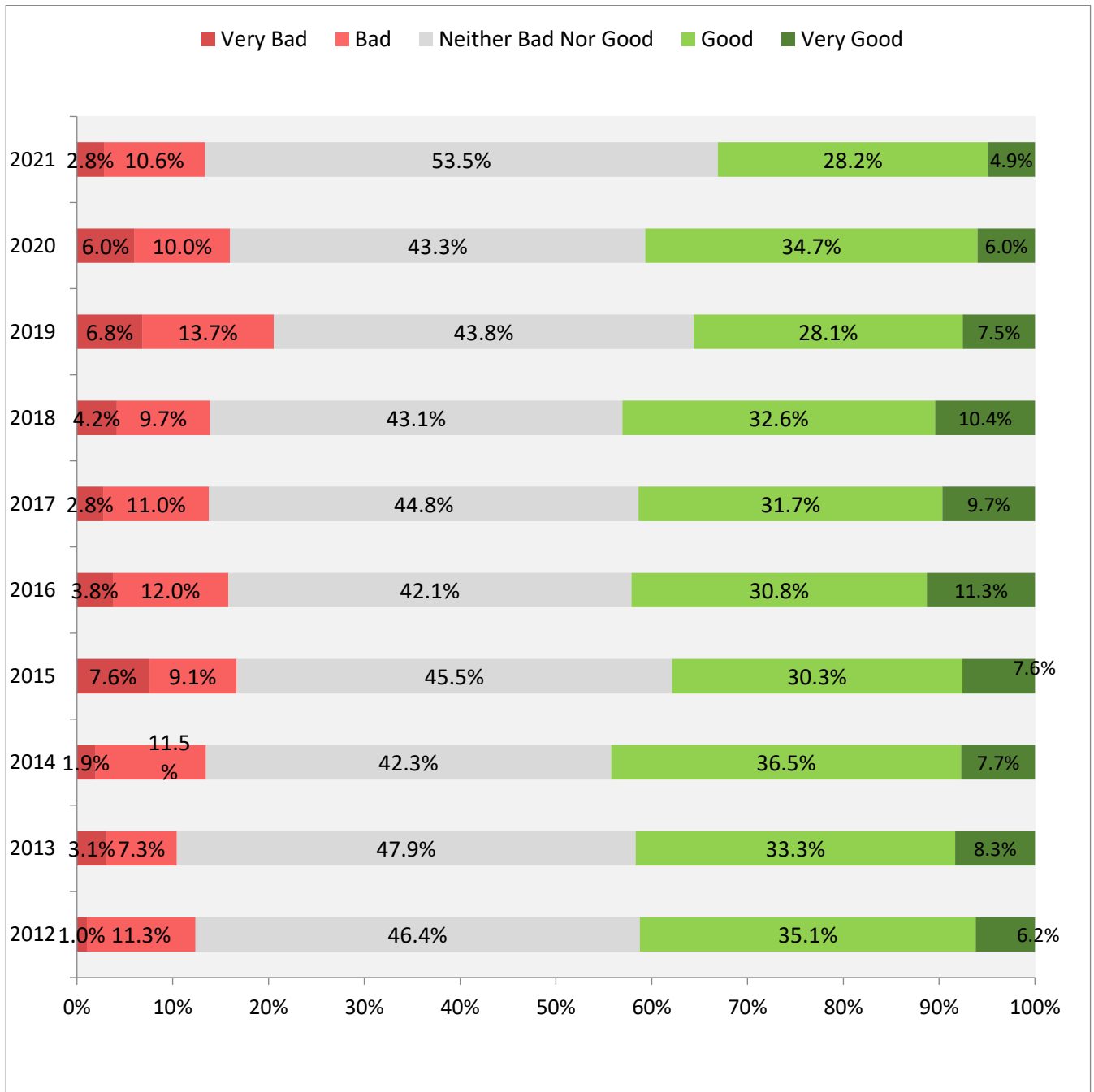


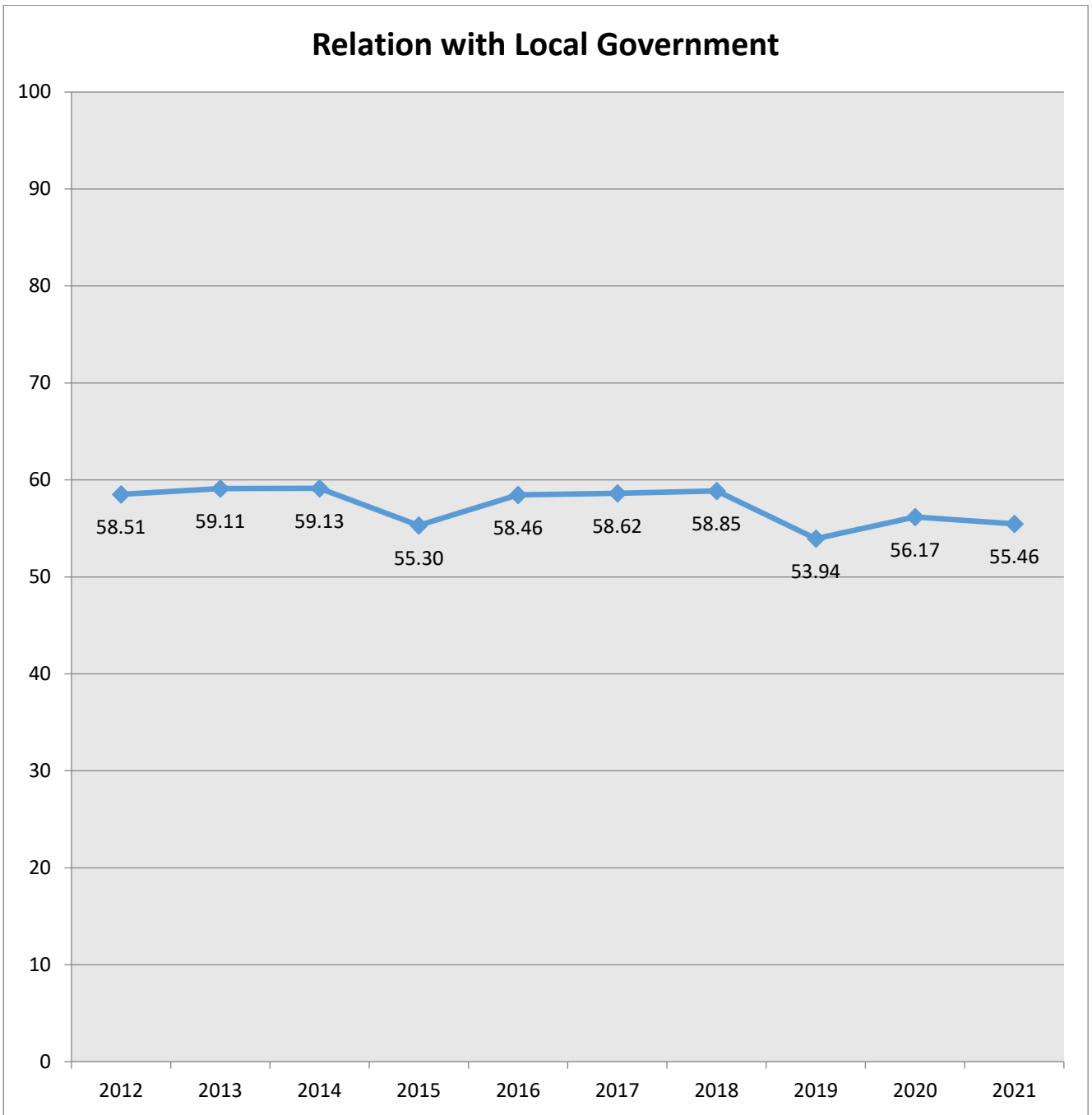


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.3.4 Relation with Local Government

How was the relation of your business with Local Government for the last year (2021)?

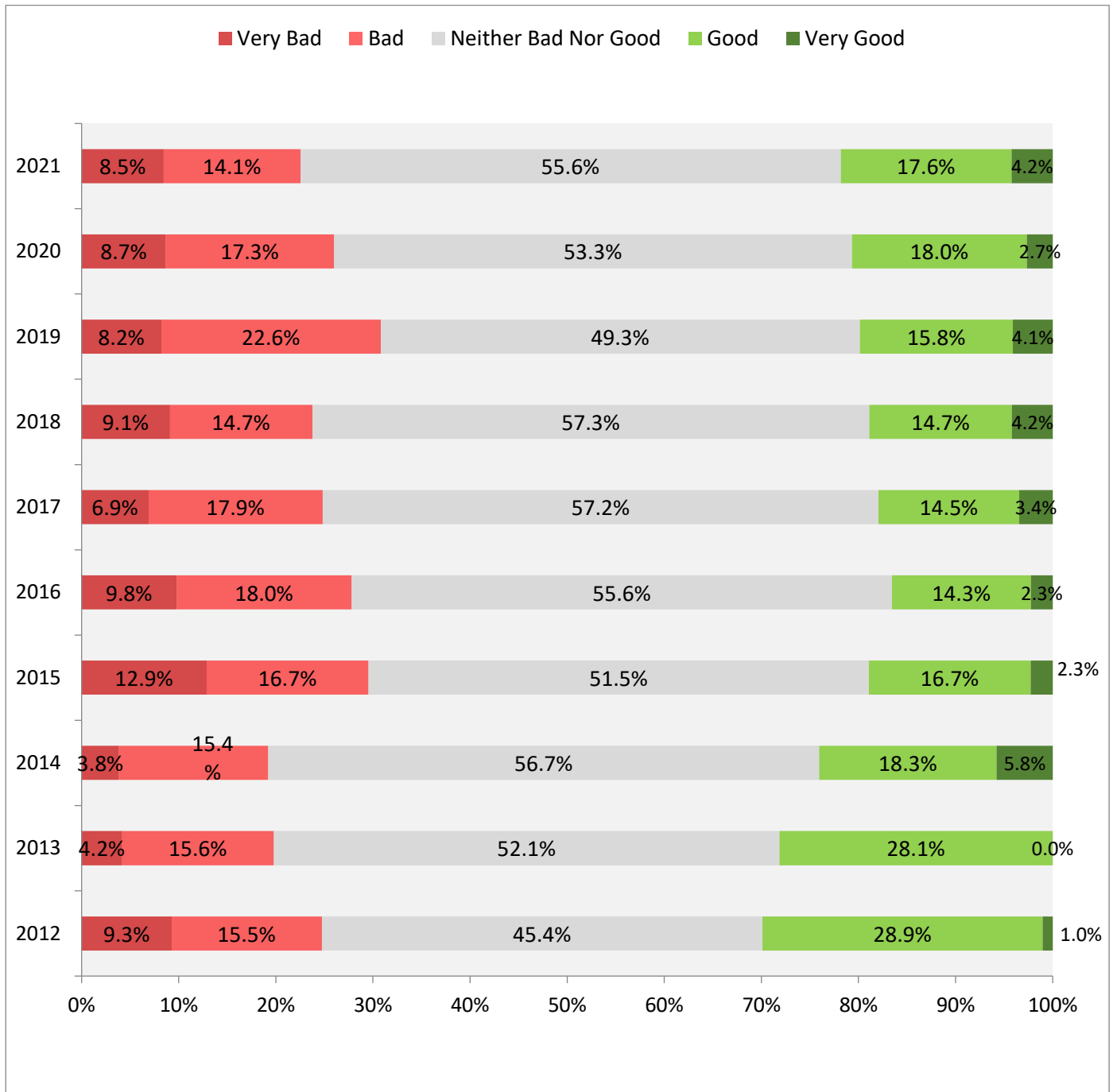


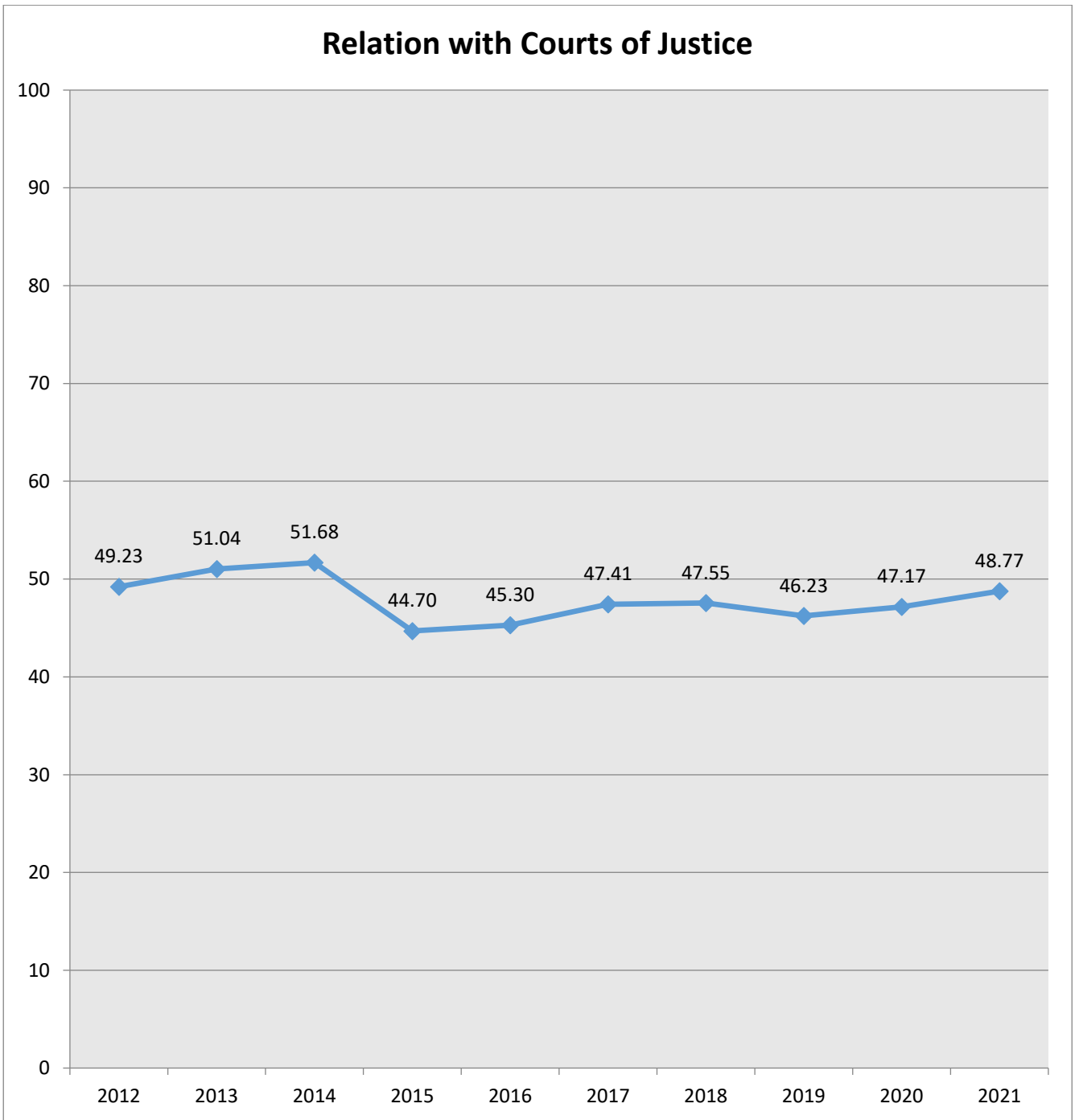


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.3.5 Relation with Courts of Justice

How was the relation of your business with Courts of Justice for the last year (2021)?





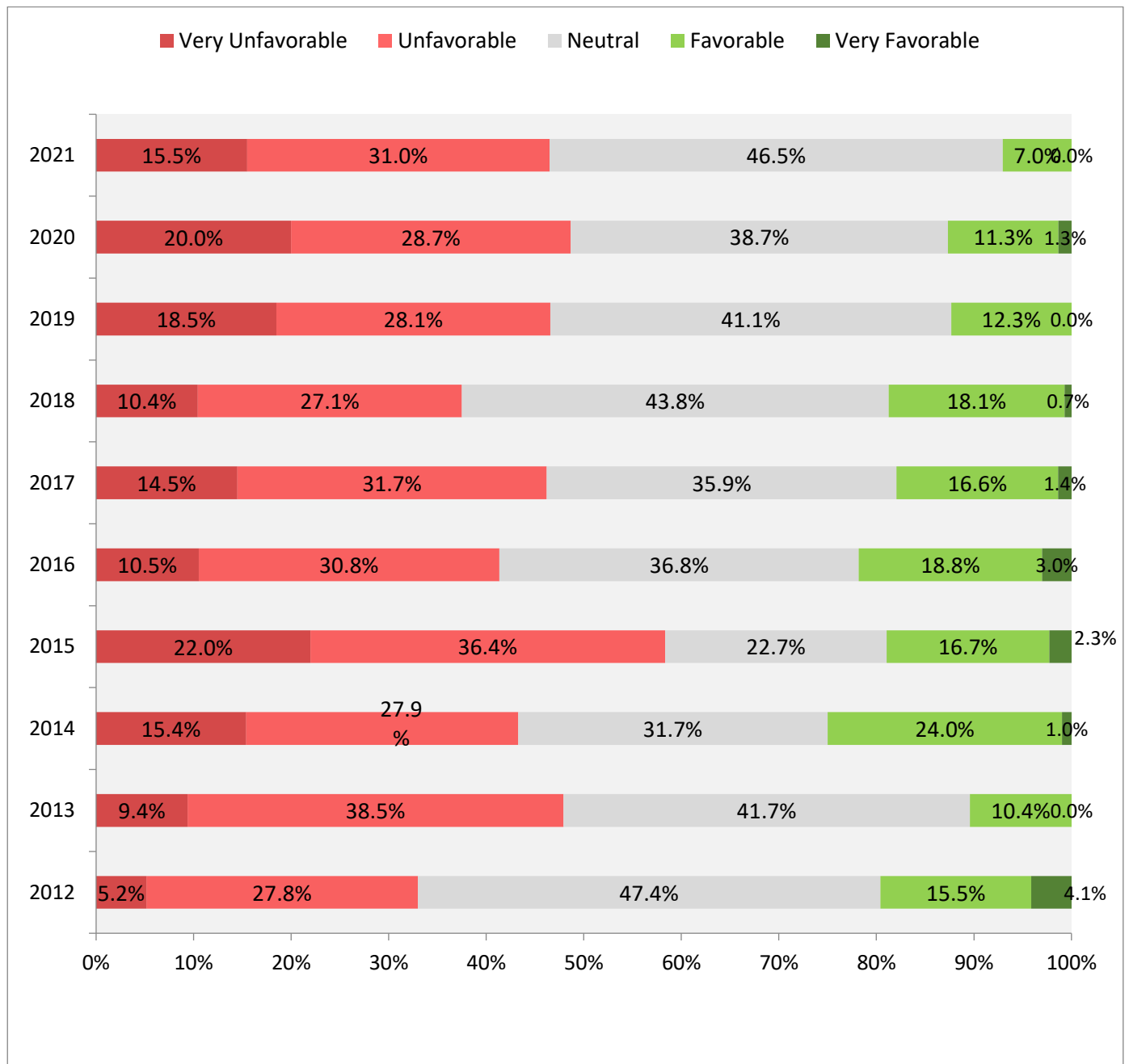
This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.4 GOVERNMENT POLICY

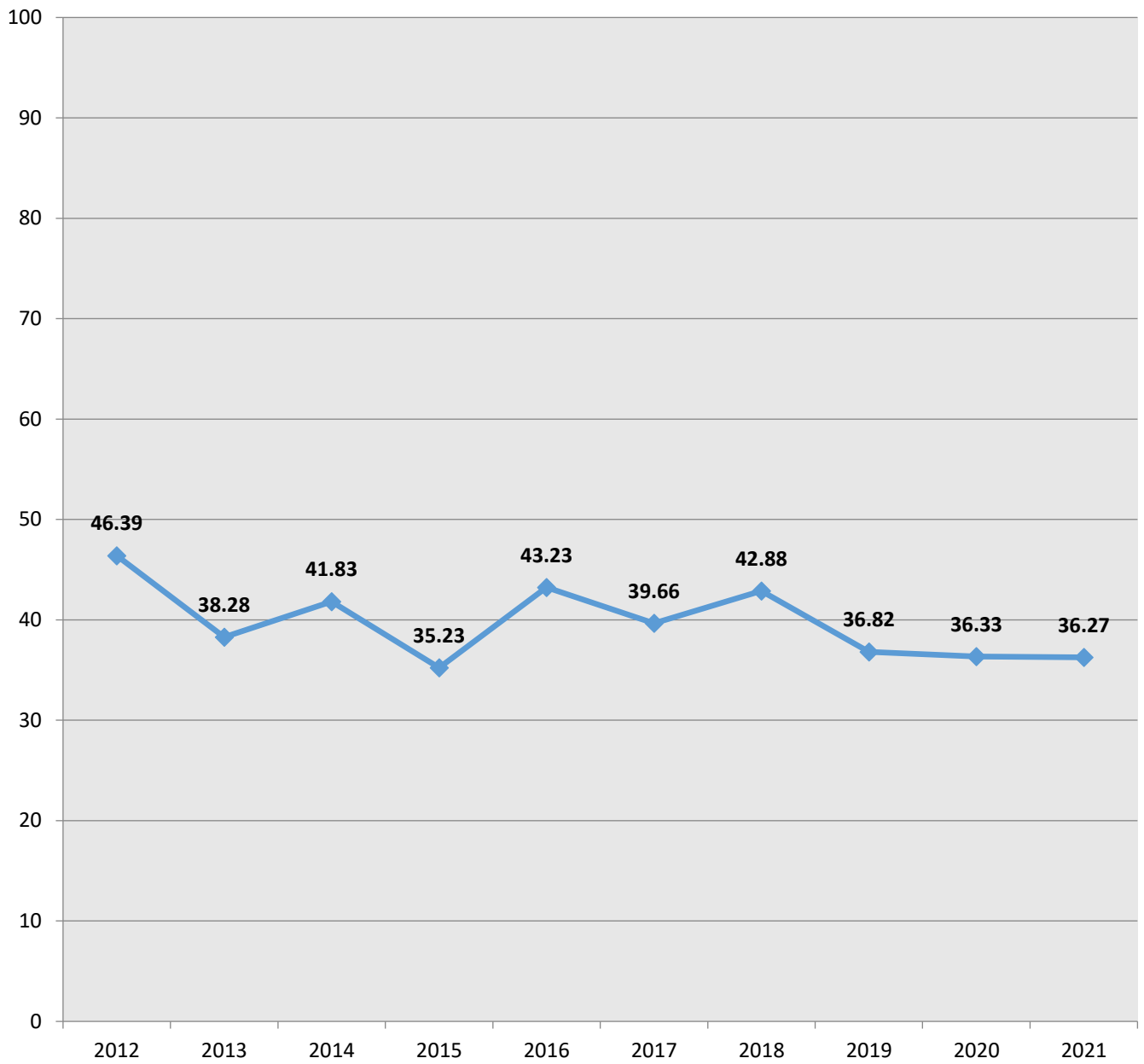
This section reports the opinion of the respondents on governmental policy, tax level and application of laws and regulations.

4.4.1 Economic Reforms and Central Government Policies

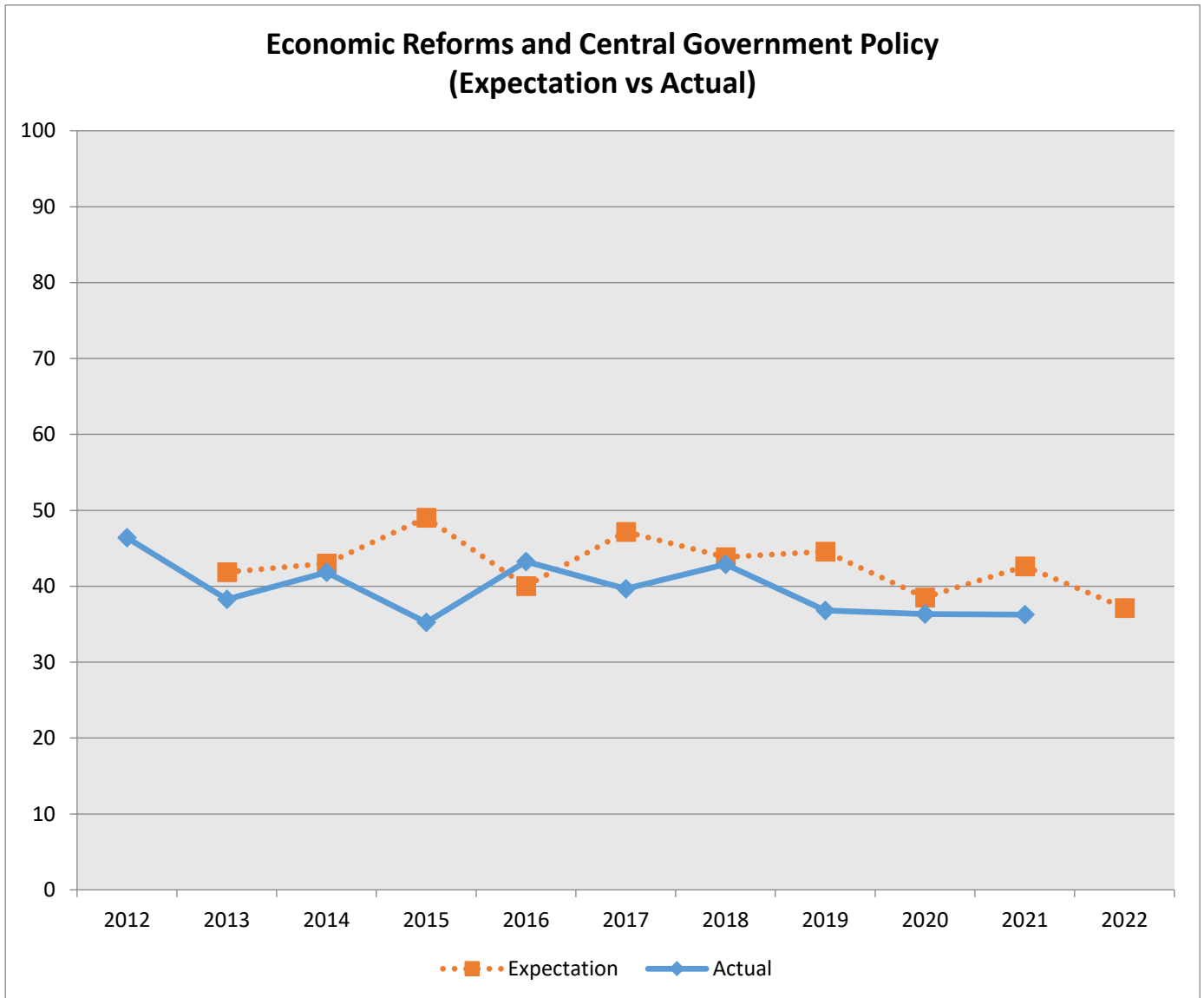
How do you consider the economic reforms and central government policy in the last year (2021) for your business?



Economic Reforms and Central Government Policy



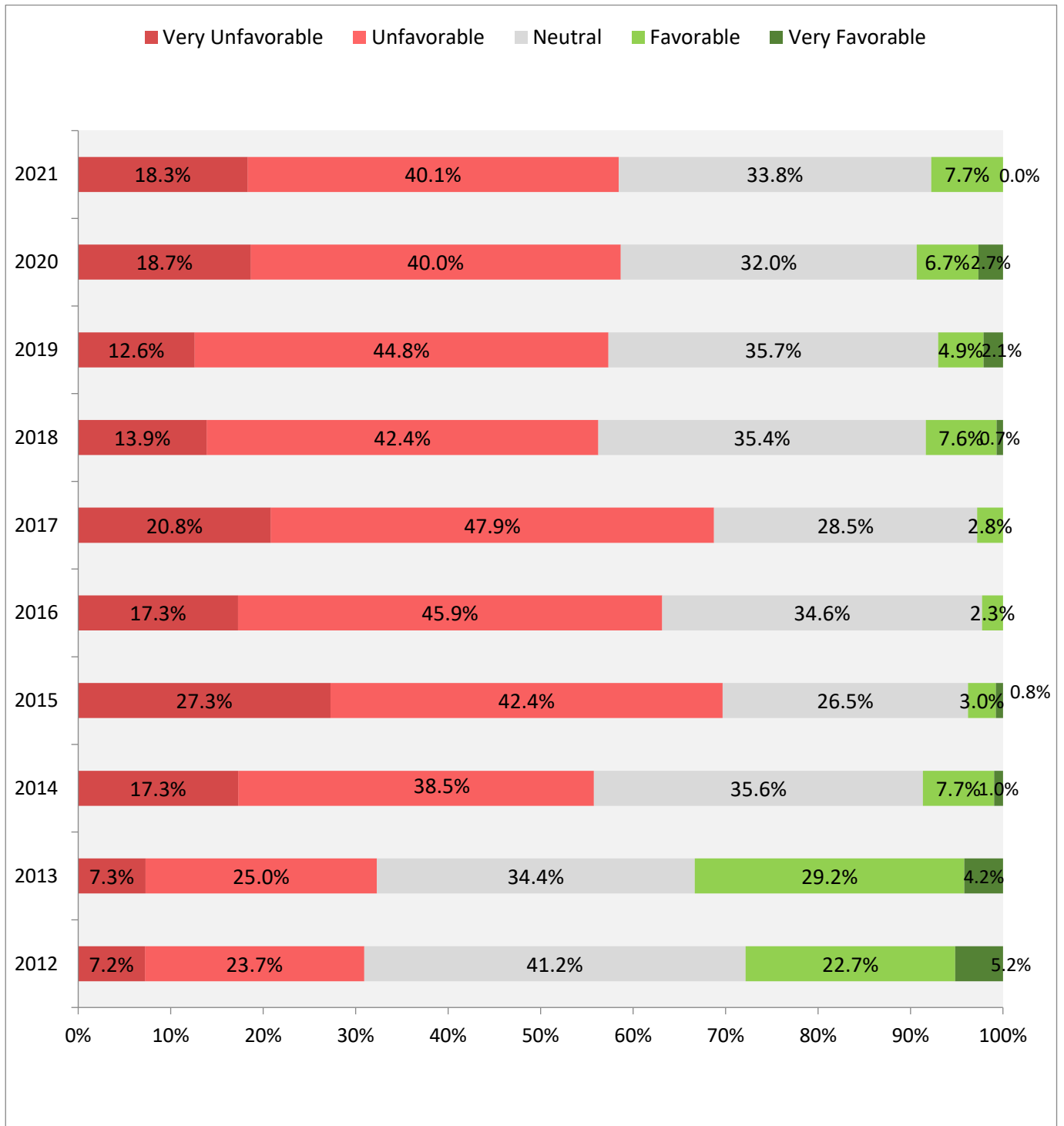
The following graph shows the expectation of Amcham members for the *Economic Reforms and Government Policy for the Business* for 2022. The graph also compares the expectation vs the actual result for each previous year. (Additional question made was: *How do you expect the economic reforms and government policy to be in 2022 for your business?*)



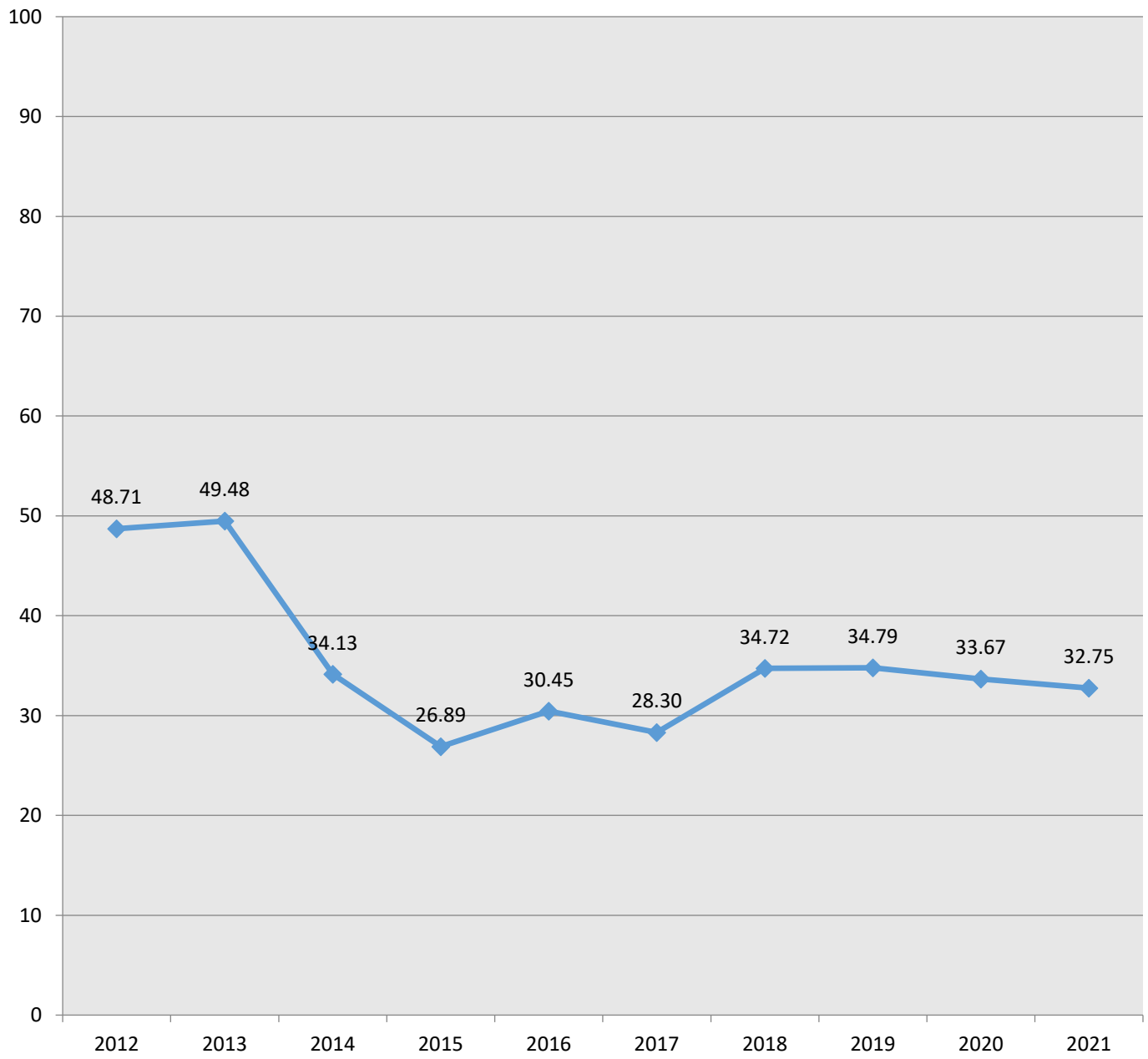
This chart shows the indicator evolution. **Higher scores indicate a better perception**

4.4.2 Overall Tax Level

How do you consider the overall tax level applied in the last year (2021) for your business?



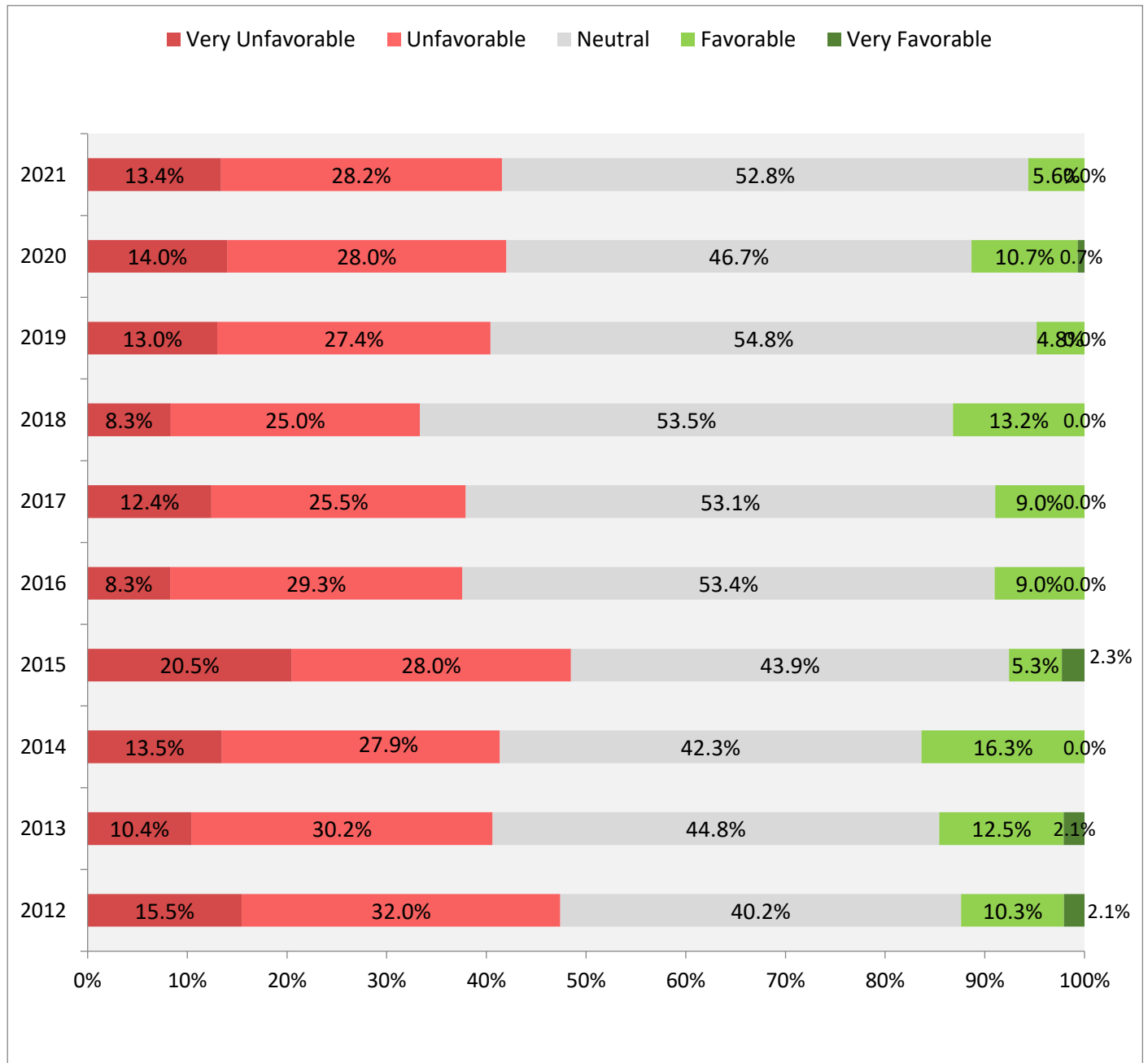
Overall Tax Level Applied



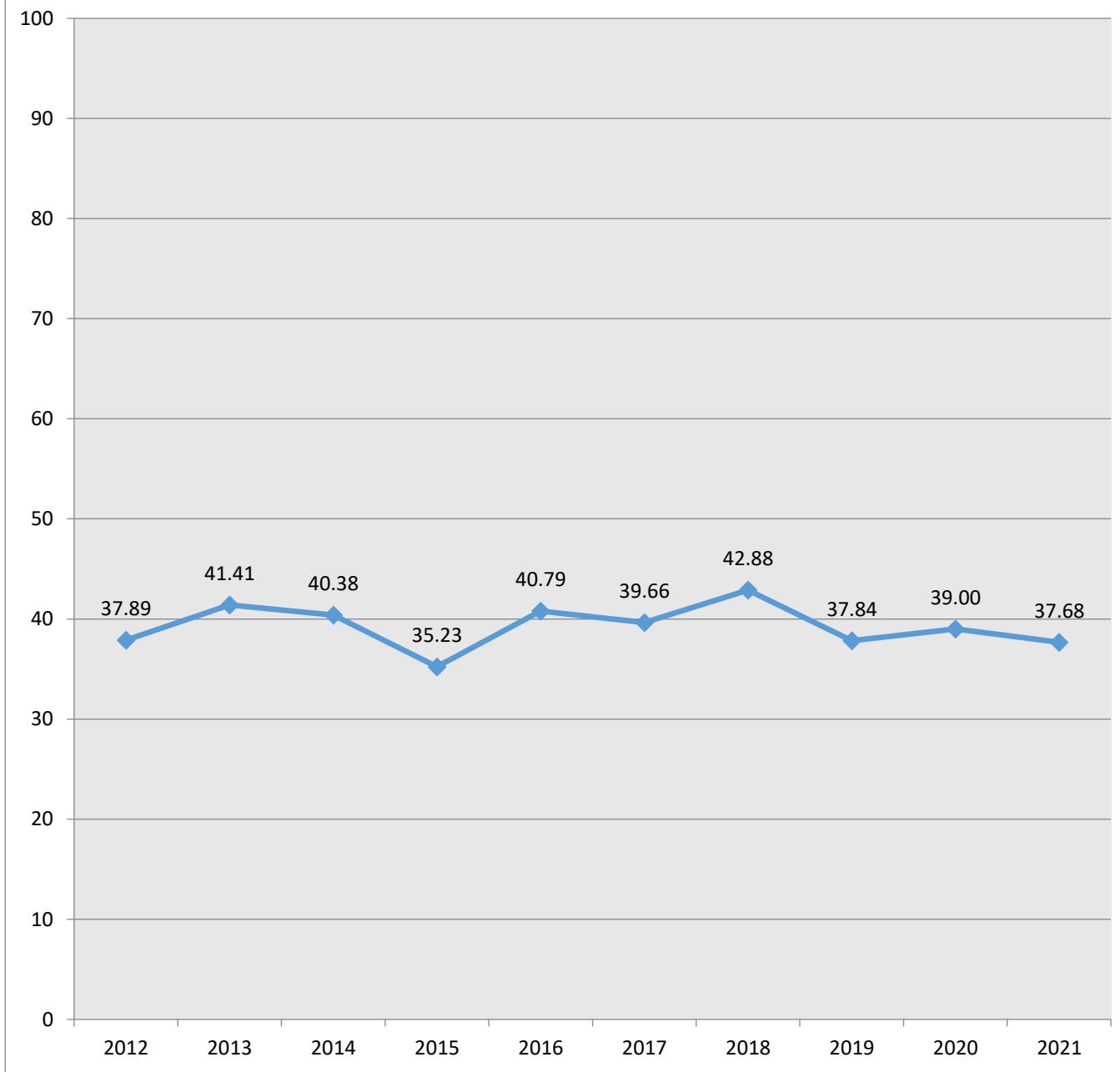
This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.4.3 Application of Laws and Regulations

How do you consider the application of the laws and regulations toward your business in the last year (2021)?



Application of Laws and Regulations

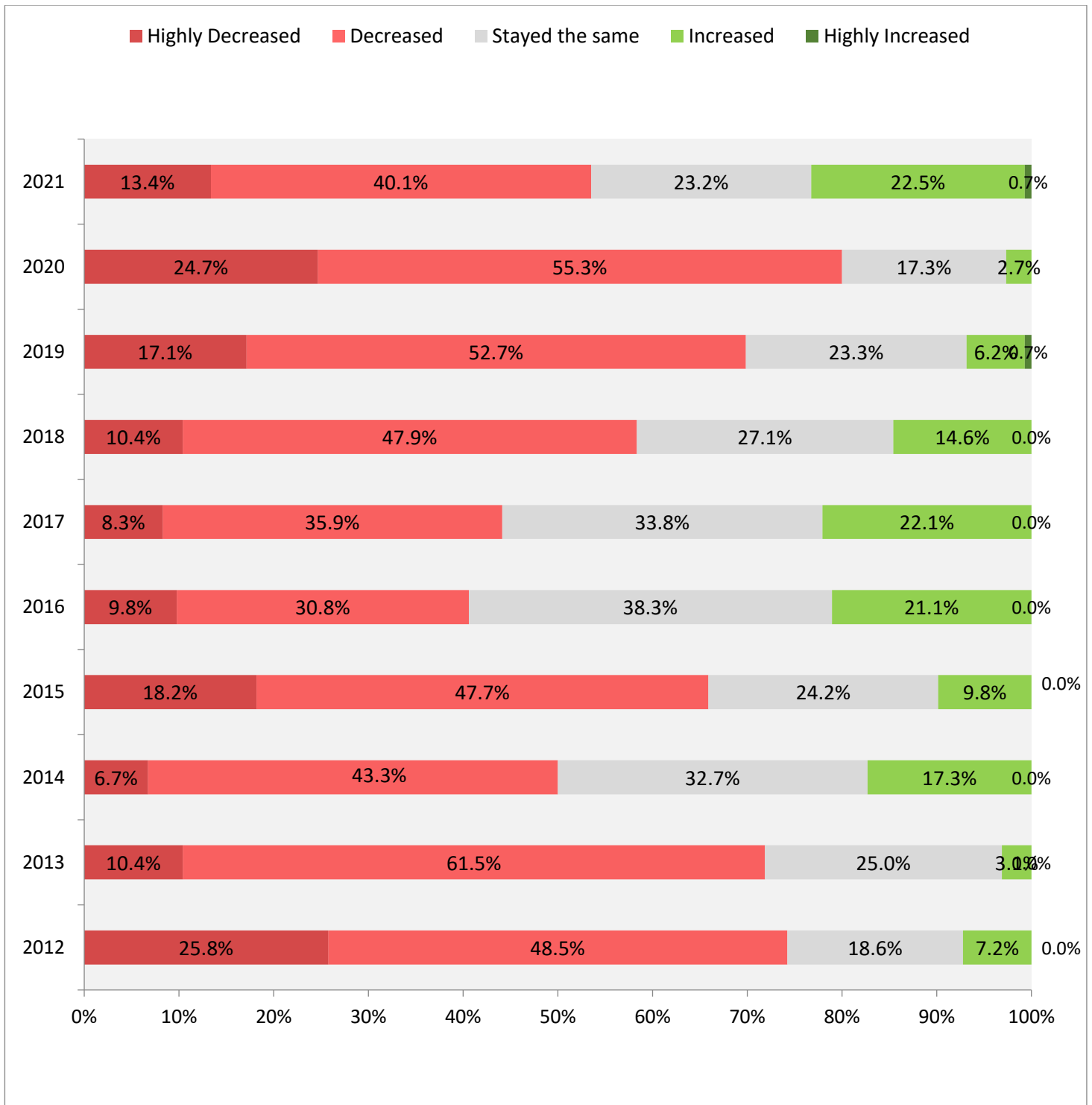


This chart shows the indicator evolution. **Higher scores indicate a better perception.**

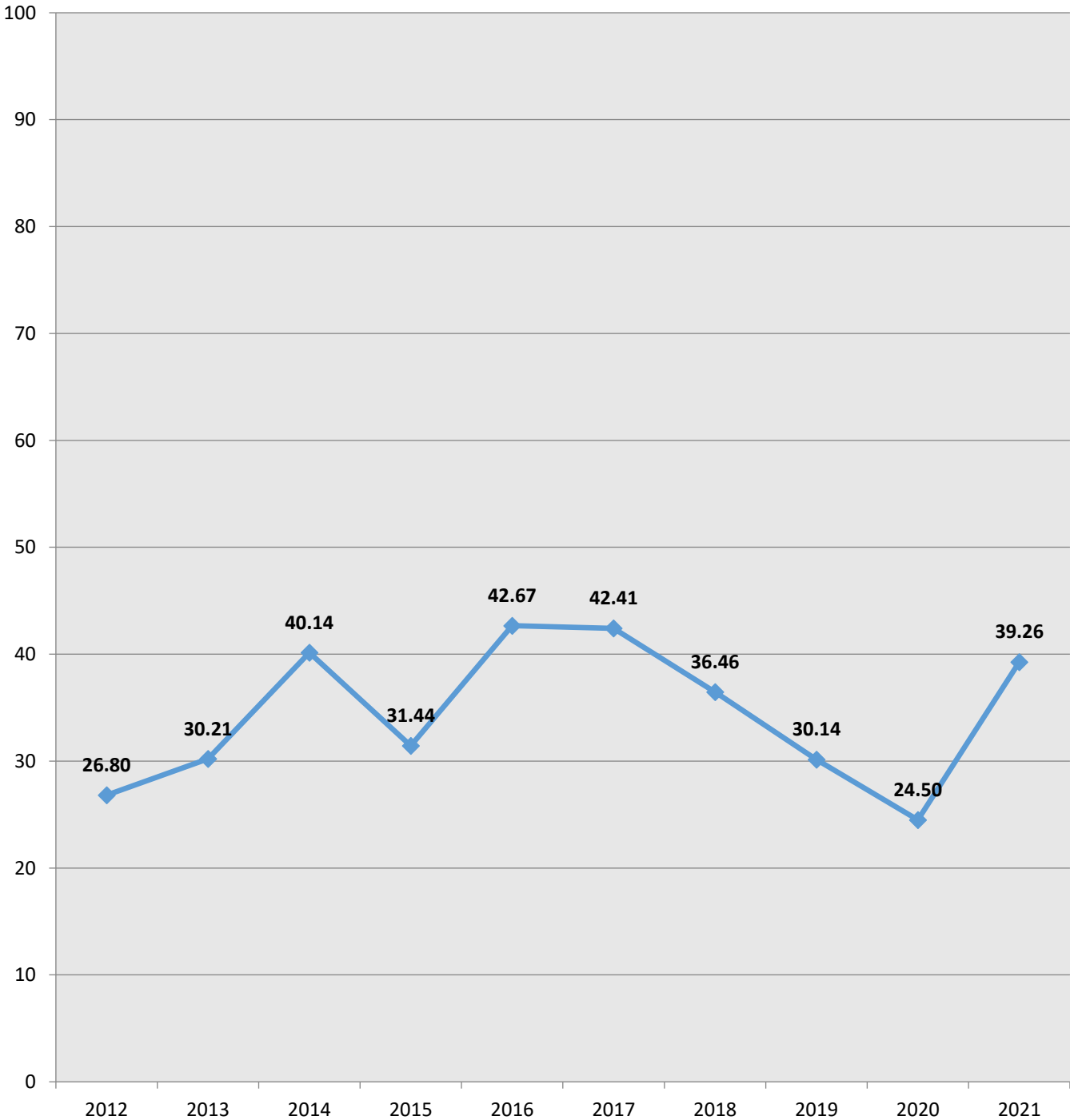
4.5 PERFORMANCE OF THE ECONOMY

Performance of the Economy:

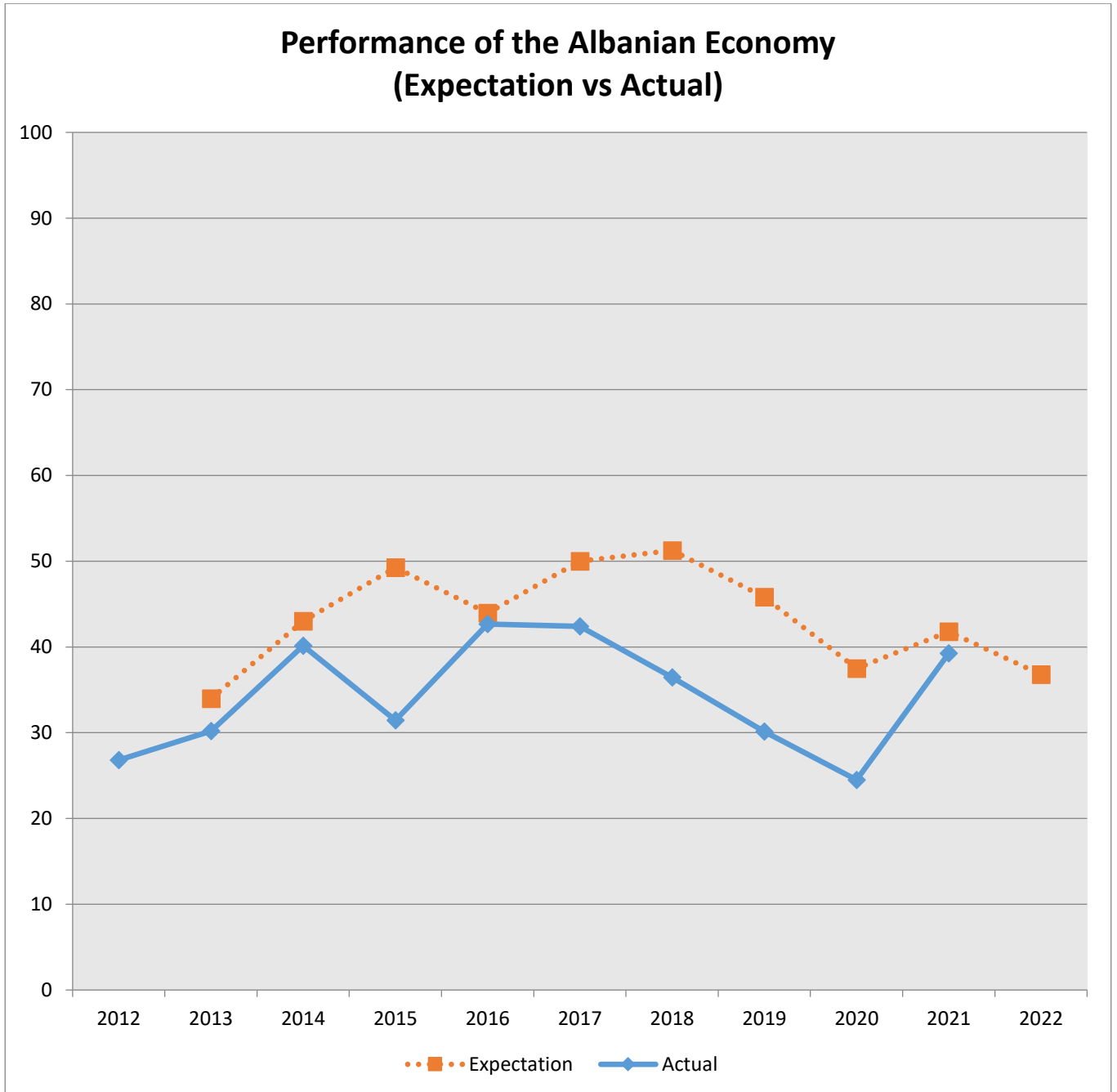
How do you consider the performance of the Albanian economy during last year (2021)?



Performance of the Albanian Economy



The following graph shows the expectation of Amcham members for the *performance of the Albanian economy* for 2022. The graph also compares the expectation vs the actual result for each previous year. (Additional question made was: *How do you expect the performance of the Albanian economy to be in 2022?*)



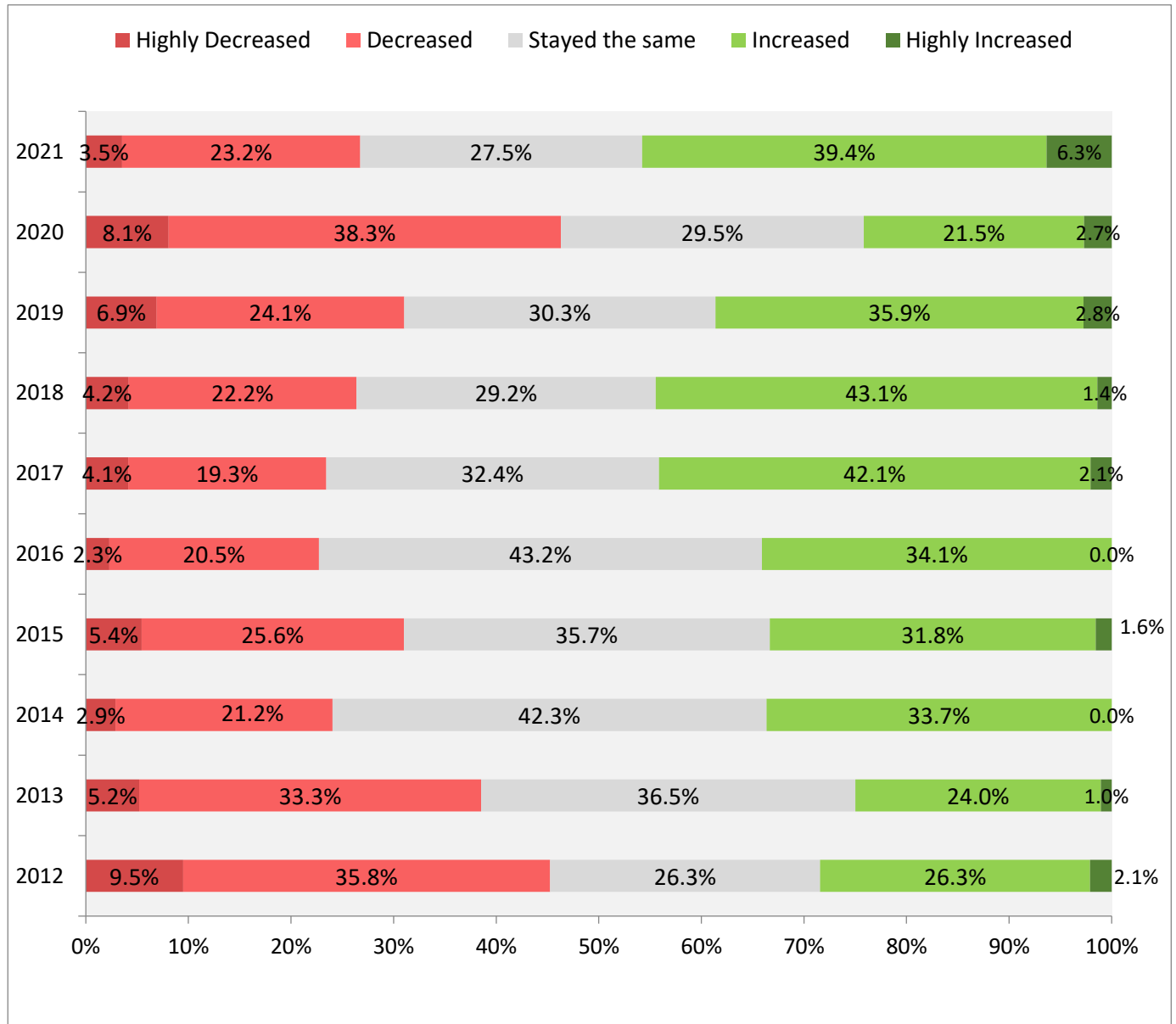
This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.6 BUSINESS ACTIVITY

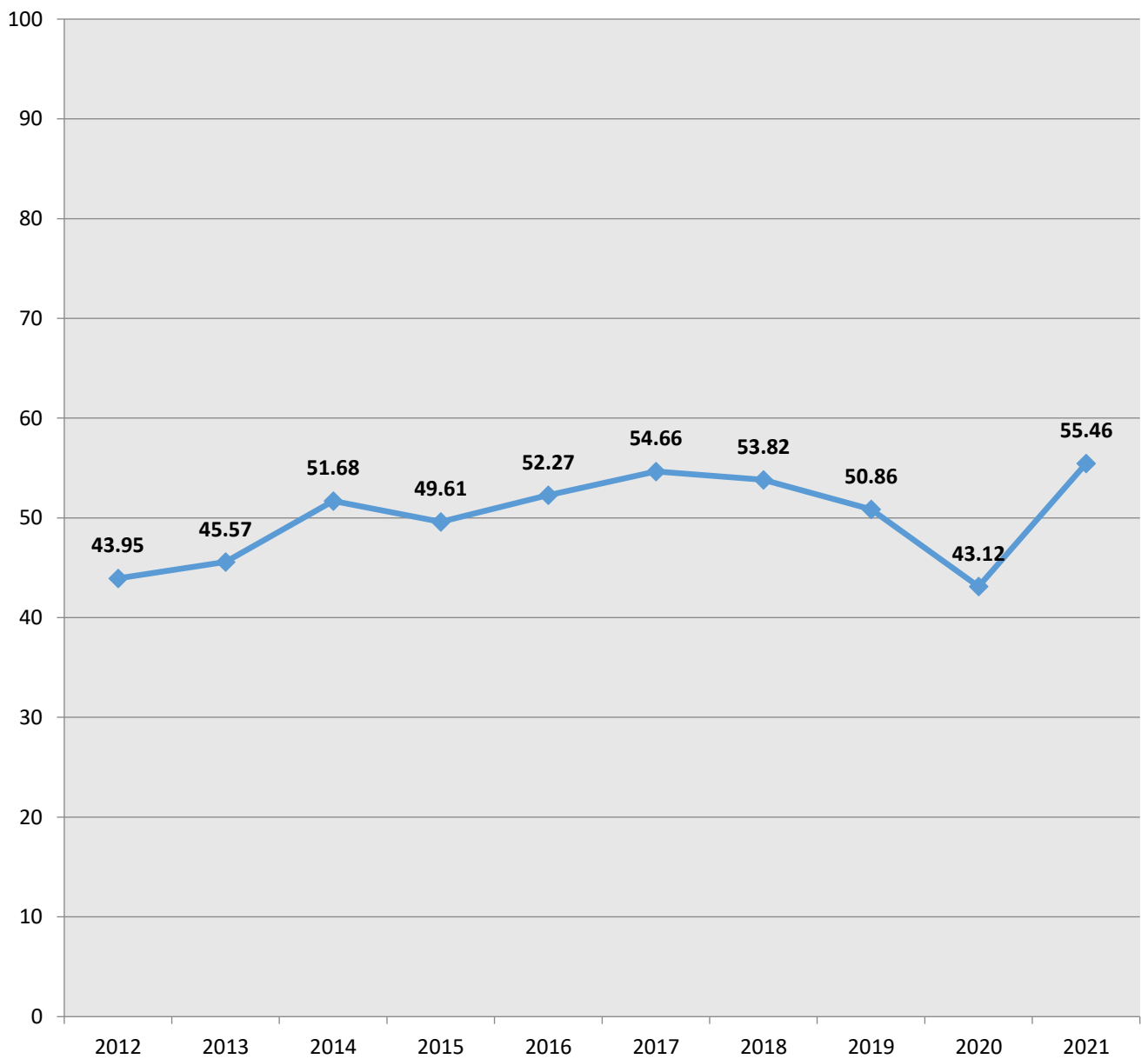
This section presents the performance of AmCham members' business activities during 2021 and their expectations for 2022.

4.6.1 Goods and Services Demand

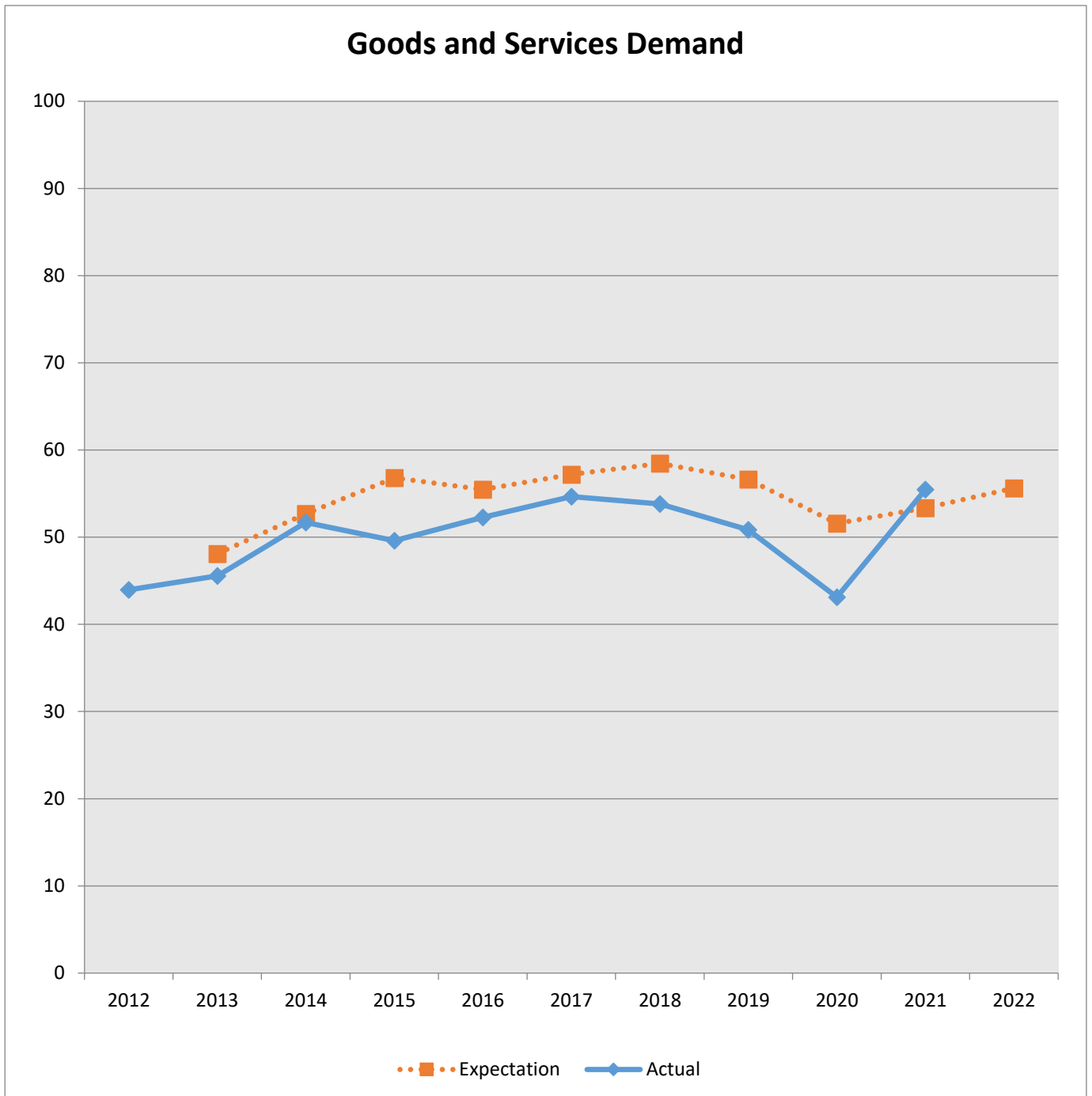
How has the demand for your firm's goods and services developed during last year (2021)?



Goods and Services Demand



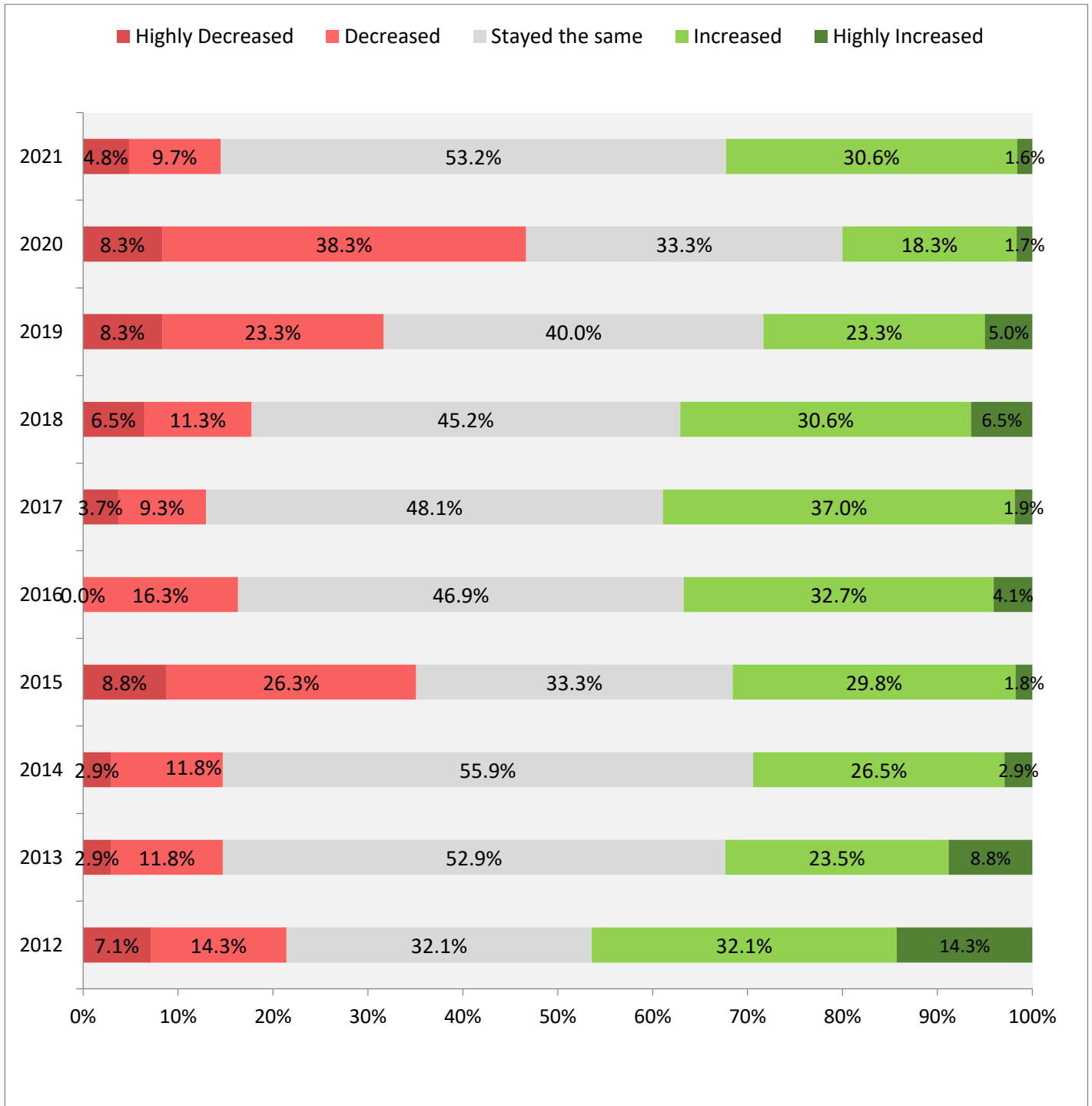
The following graph shows the expectation of the Amcham members regarding *Goods and Services Demand* for 2022. The graph also compares the expectation vs the actual result for each previous year. (Additional question made was: *How do you expect demand for your firm's goods and services to change in 2022?*)



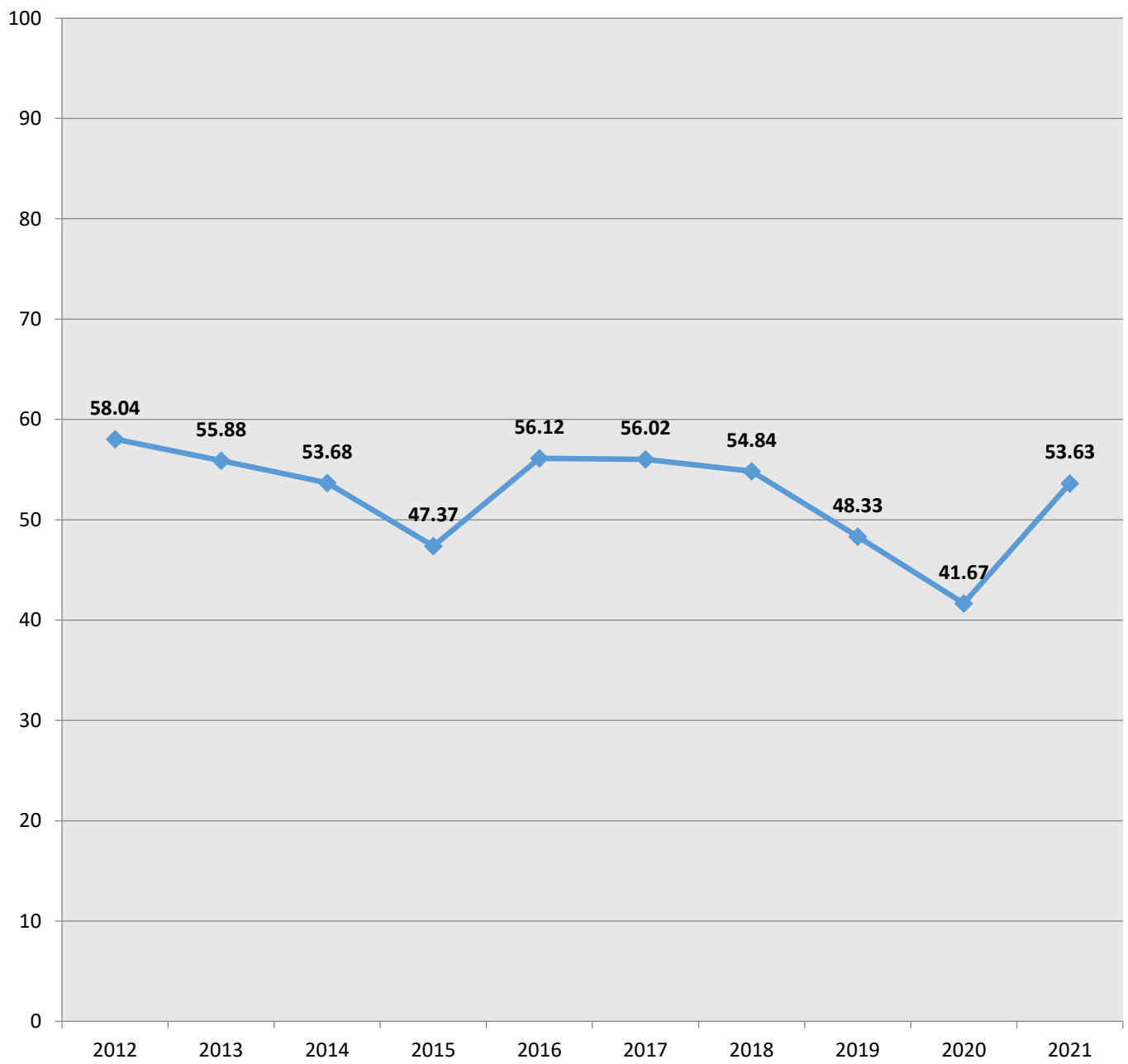
This chart shows the indicator evolution. **Higher results are better.**

4.6.2 Goods and Services Demand – Exports

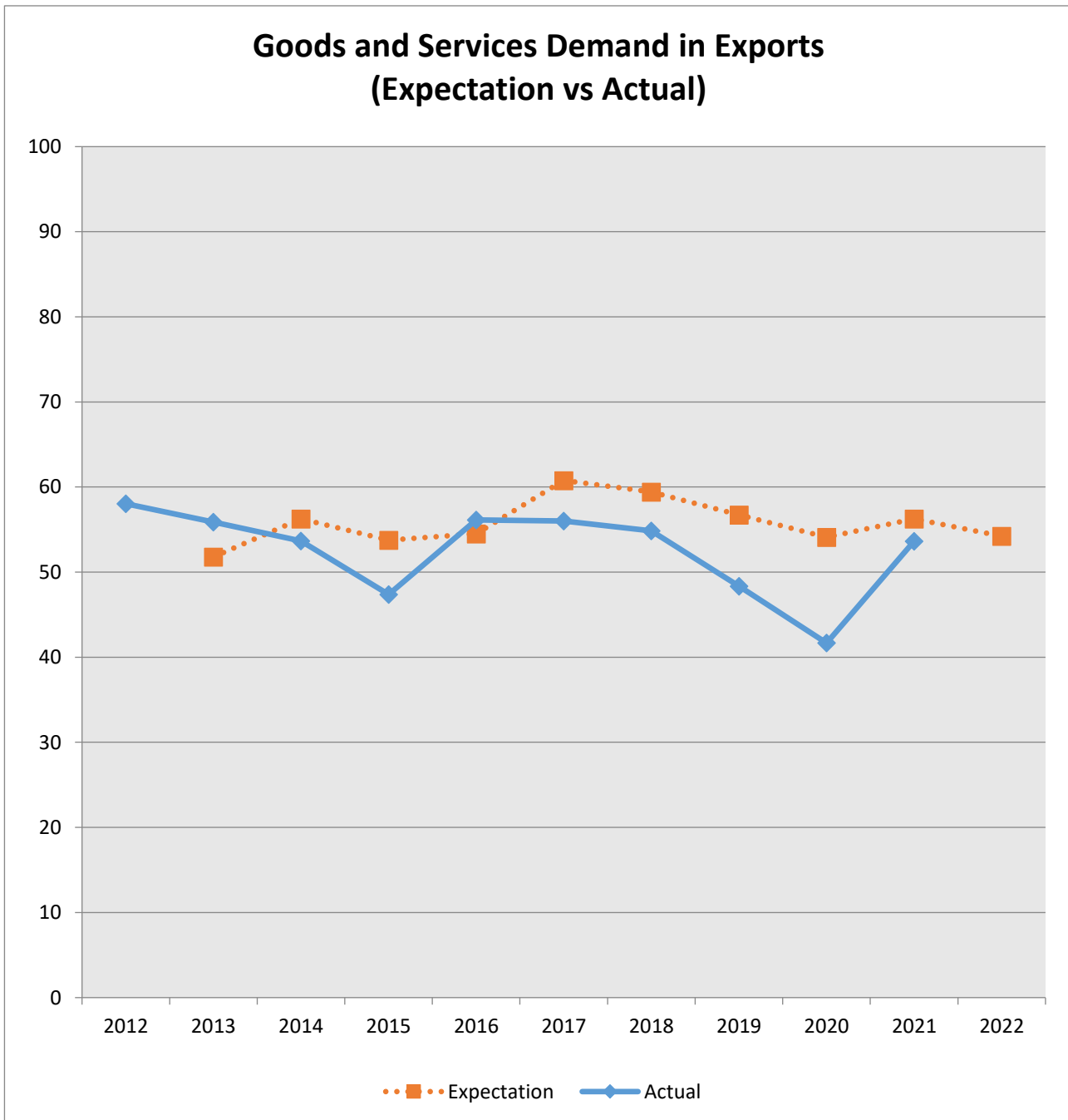
In case you have export activity, how have your export orders for your goods and services developed in the last year (2021)?



Goods and Services Demand in Exports



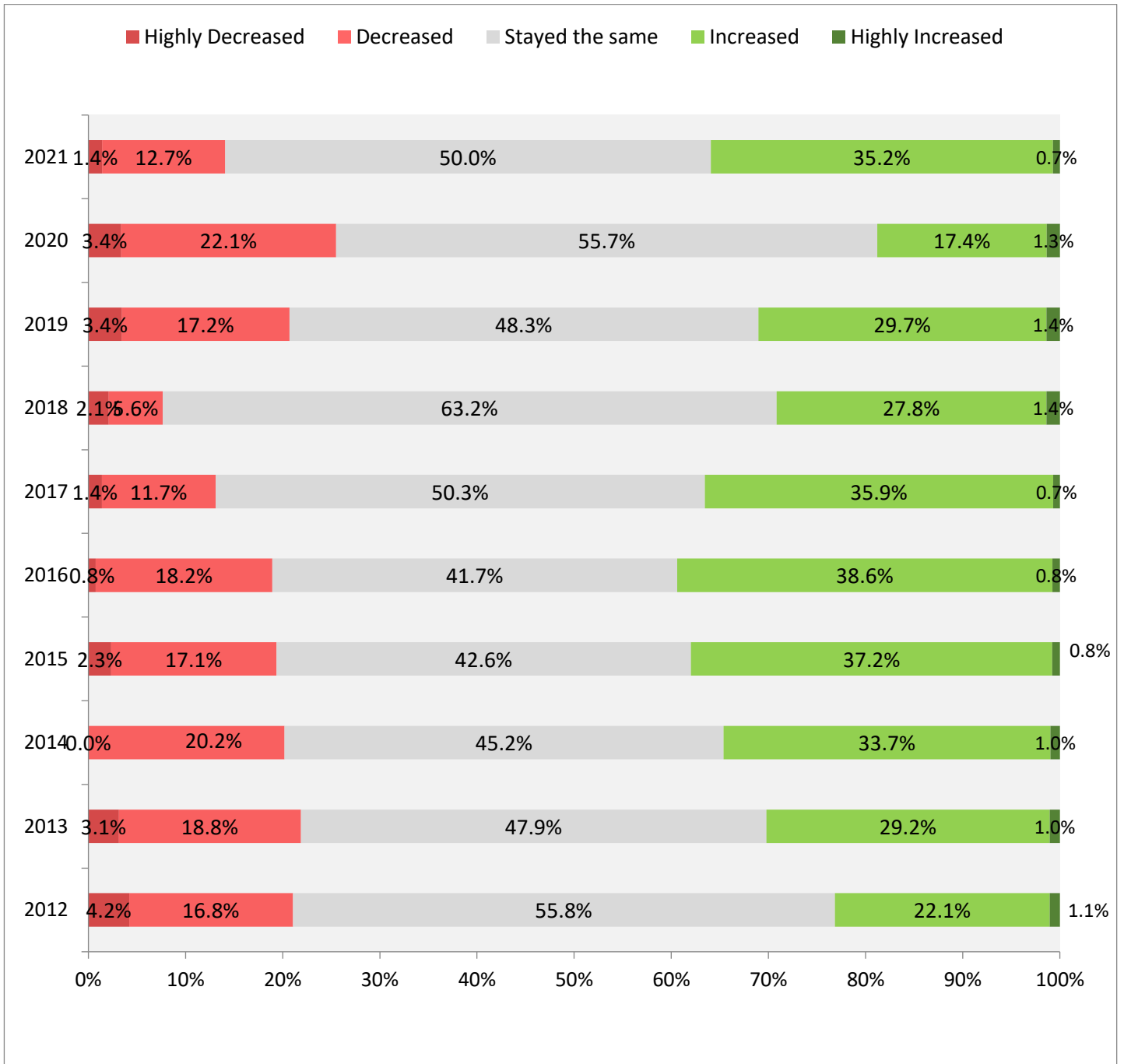
The following graph shows the expectation of the Amcham members for *Goods and Services Demand in Exports* for 2022. The graph also compares the expectation vs the actual result for each previous year. (Additional question made was: *How do you expect the export orders for your goods and services to change in 2022?*)



This chart shows the indicator evolution. **Higher results are better**

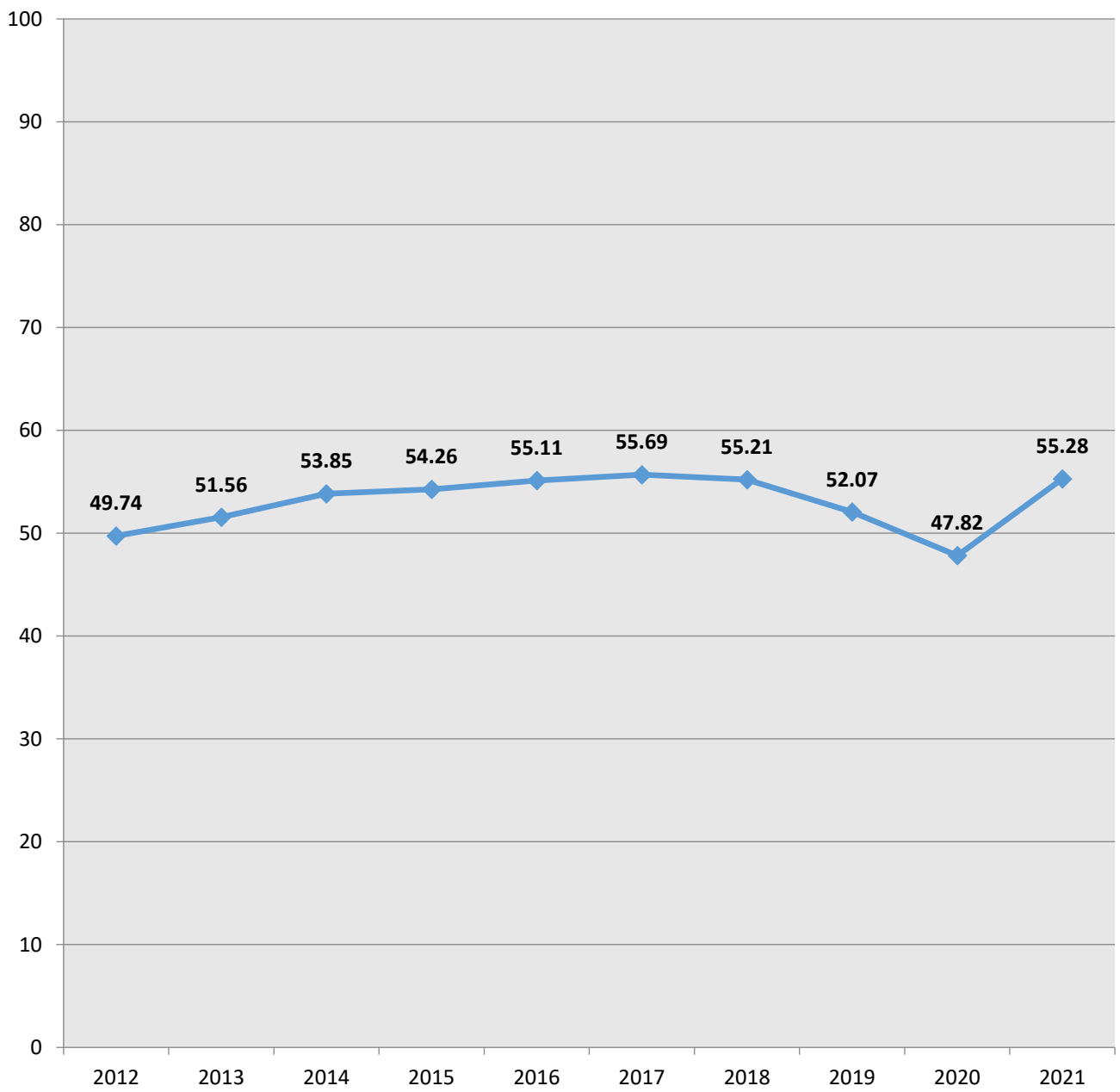
4.6.3 Total Employments Changes

How has your firm's total employment changed last year (2021)?

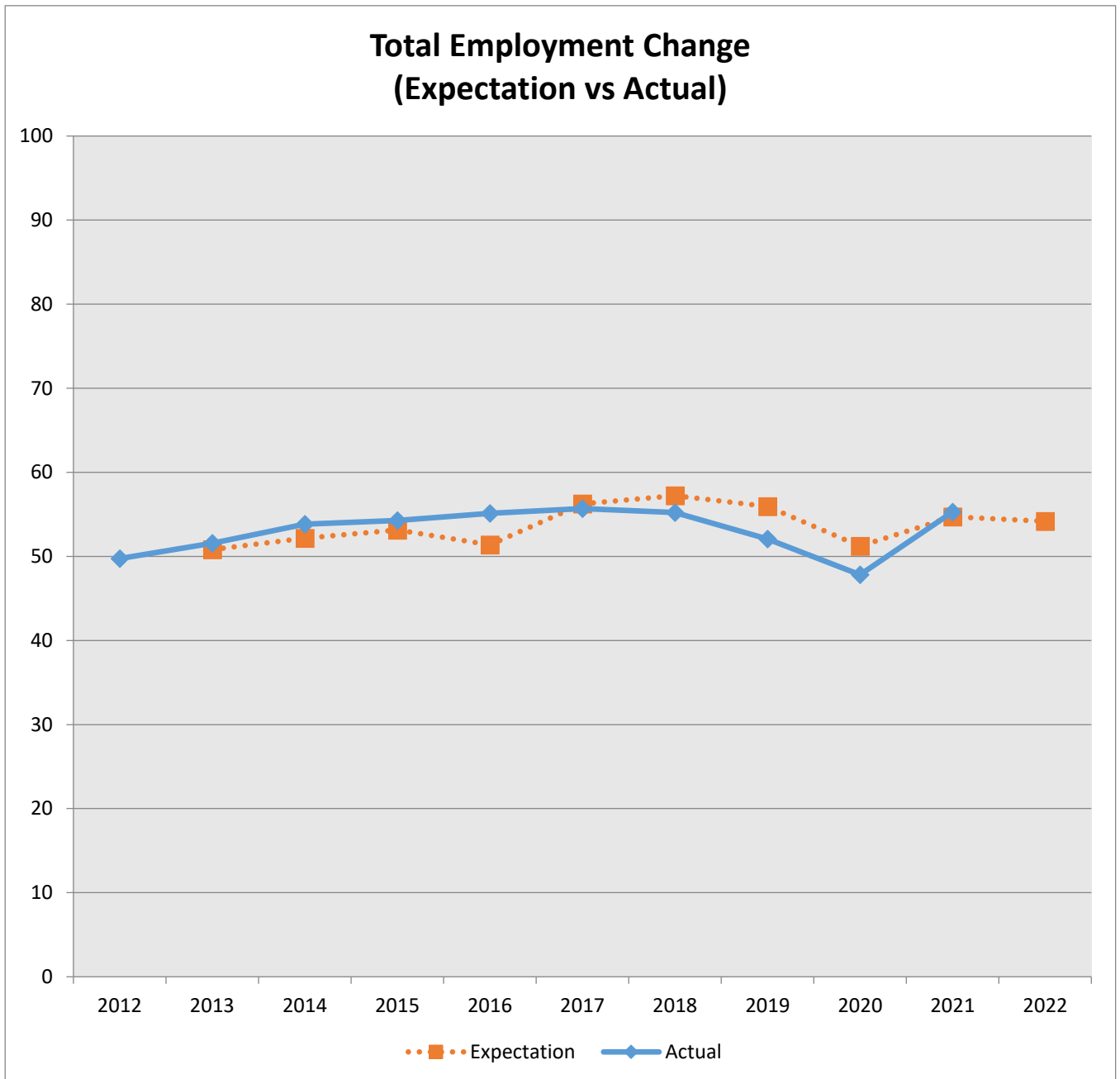


This chart shows the indicator evolution. **Higher results are better.**

Total Employment Change

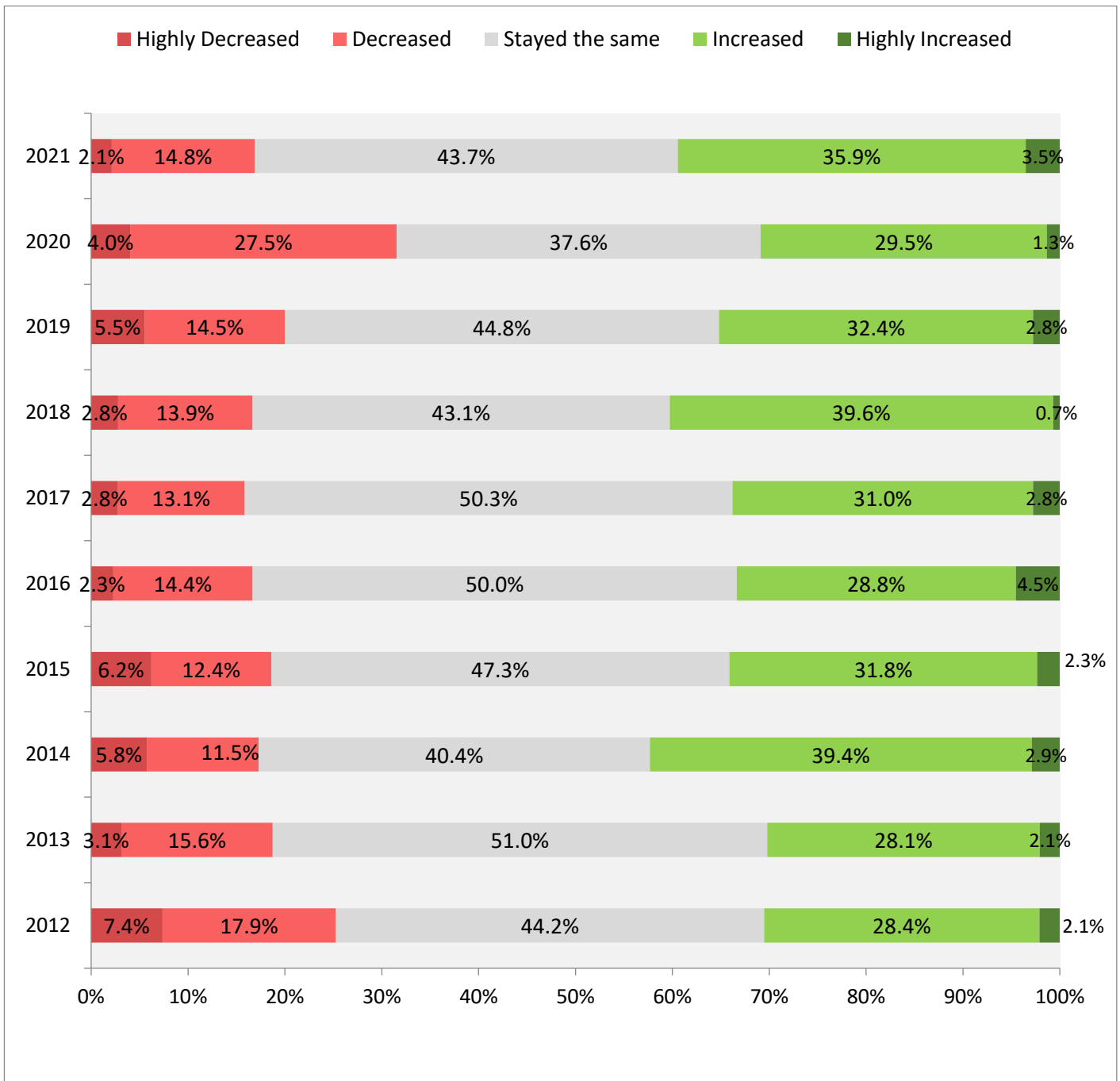


The following graph shows the expectation of the Amcham members for the *Employment* for 2022. The graph also compares the expectation vs the actual result for each previous year. (Additional question made was: *How do you expect your firm's total employment to change in 2022?*)

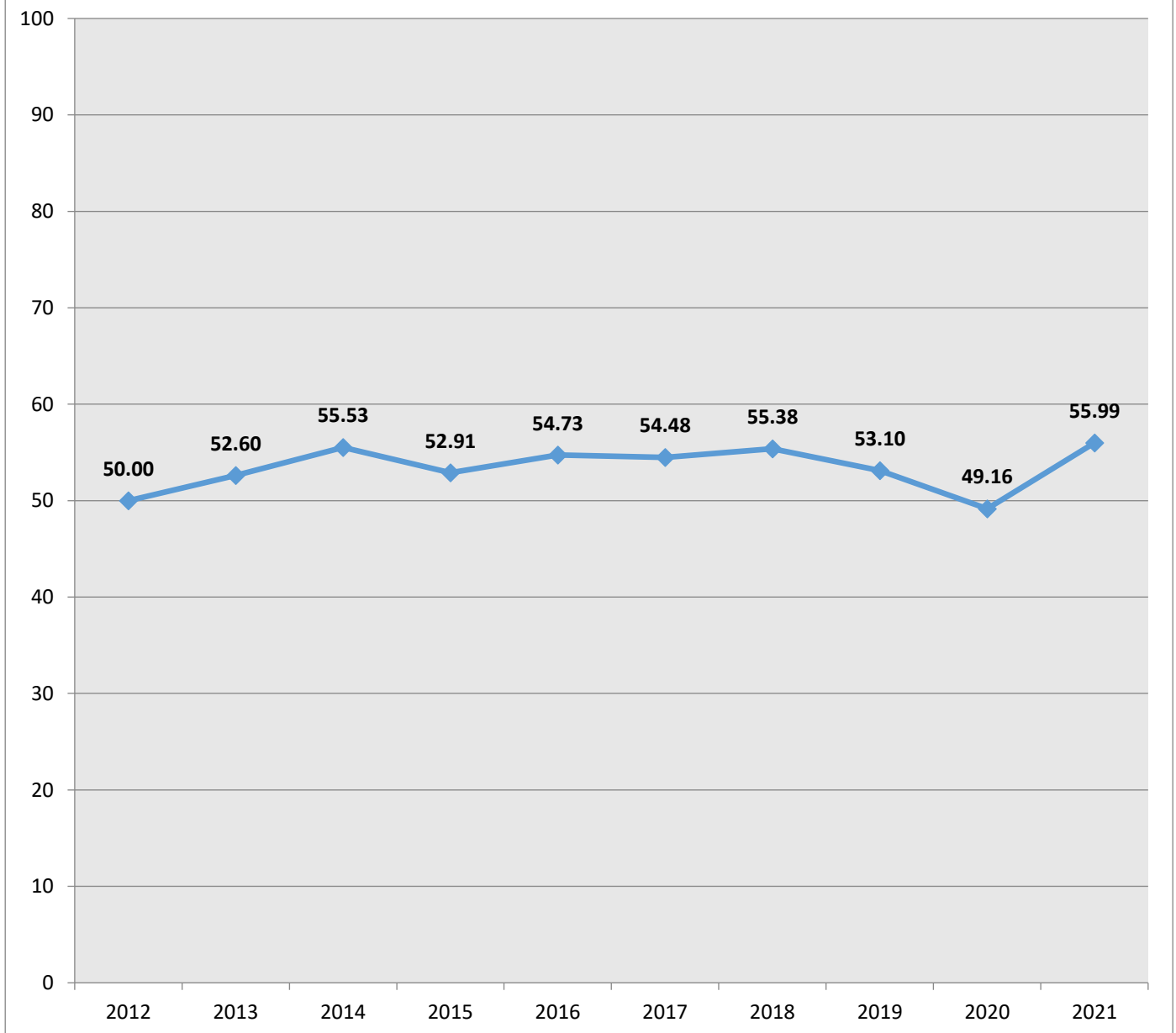


4.6.4 Company Investments

How has your company investment changed during last year (2021)?

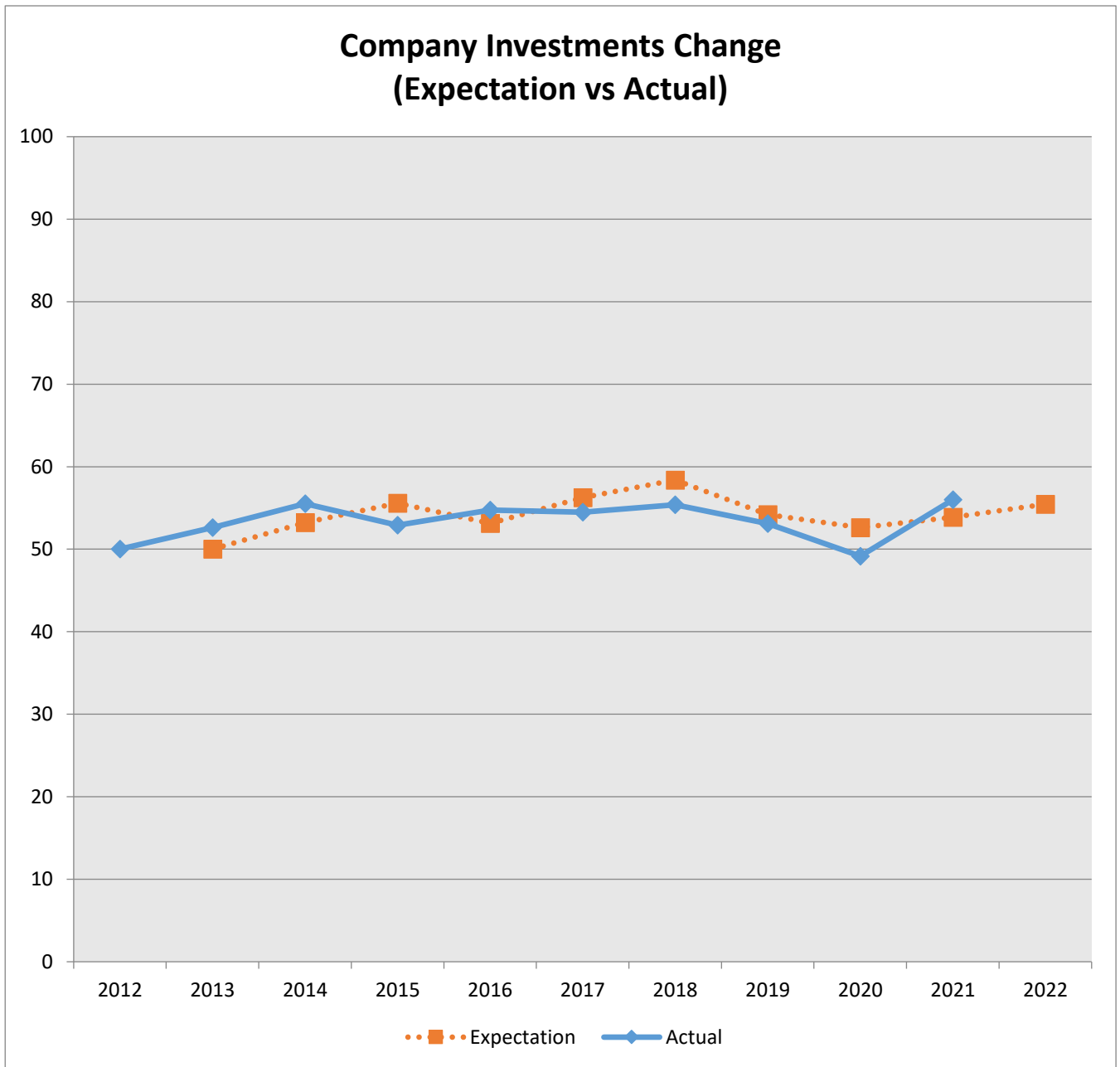


Company Investments Change



This chart shows the indicator evolution. **Higher results are better.**

The following graph shows the expectation of the Amcham members for their *Investment in 2022*. The graph also compares the expectation vs the actual result for each previous year. (Additional question made was: *How do you expect your company investment to change in 2022?*)

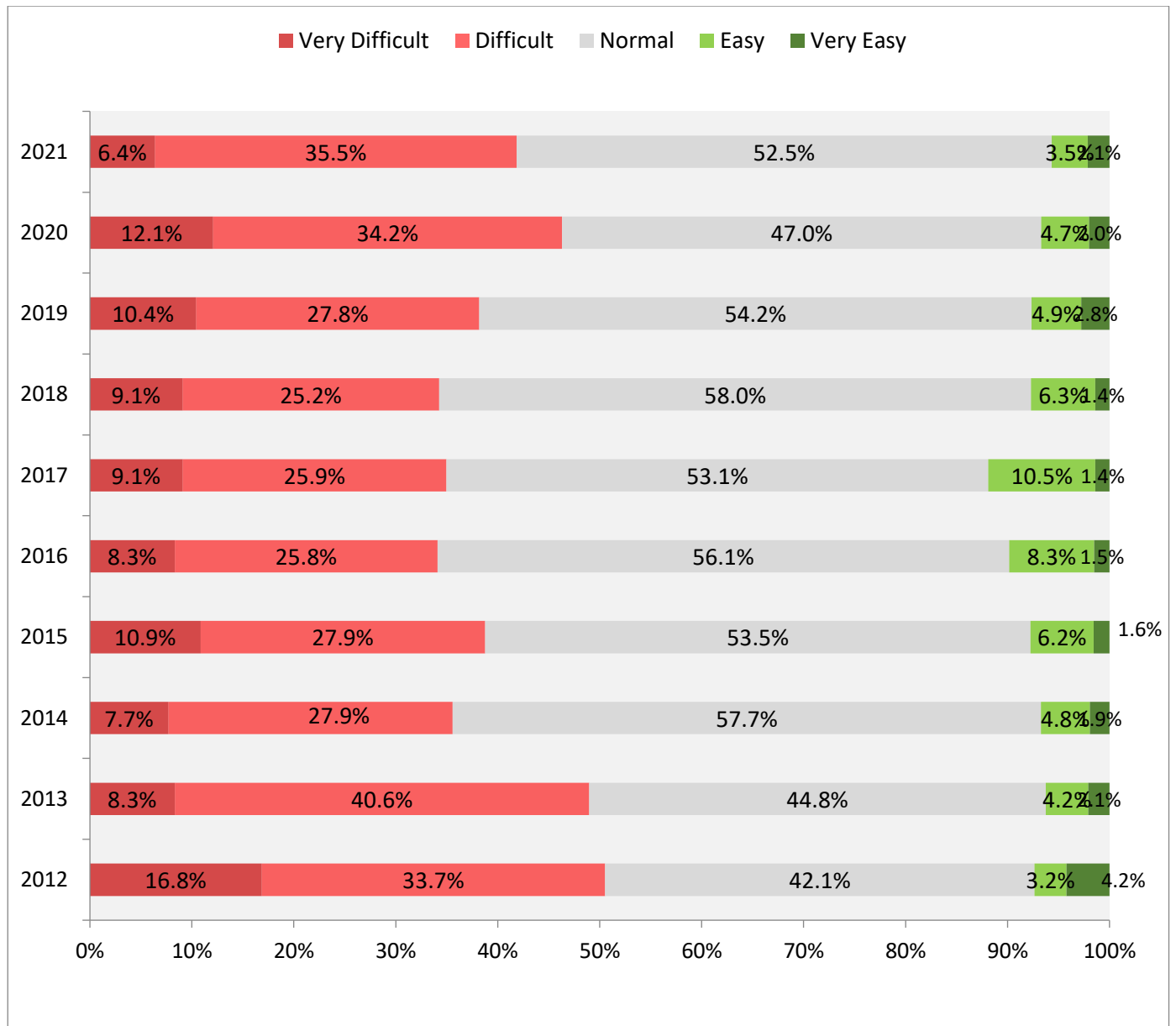


4.7 FINANCIAL ENVIRONMENT

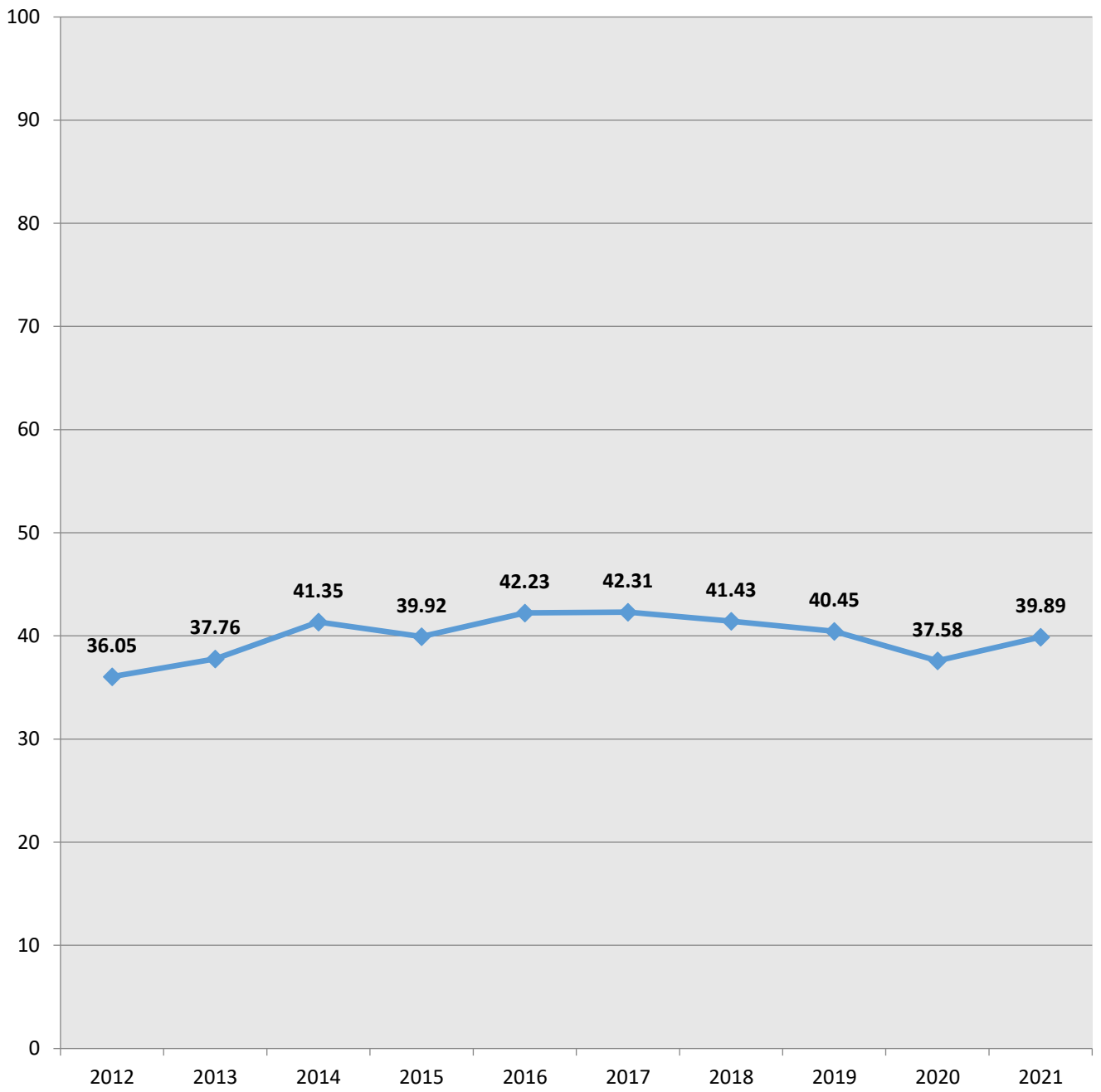
This section presents the opinion of AmCham members regarding financial environment in Albania in terms of financing business development and the policy and services provided by the banking sector to the companies.

4.7.1 Assurance of Financing for Business Development

How easy was for your company to assure financing for business development during last year (2021)?

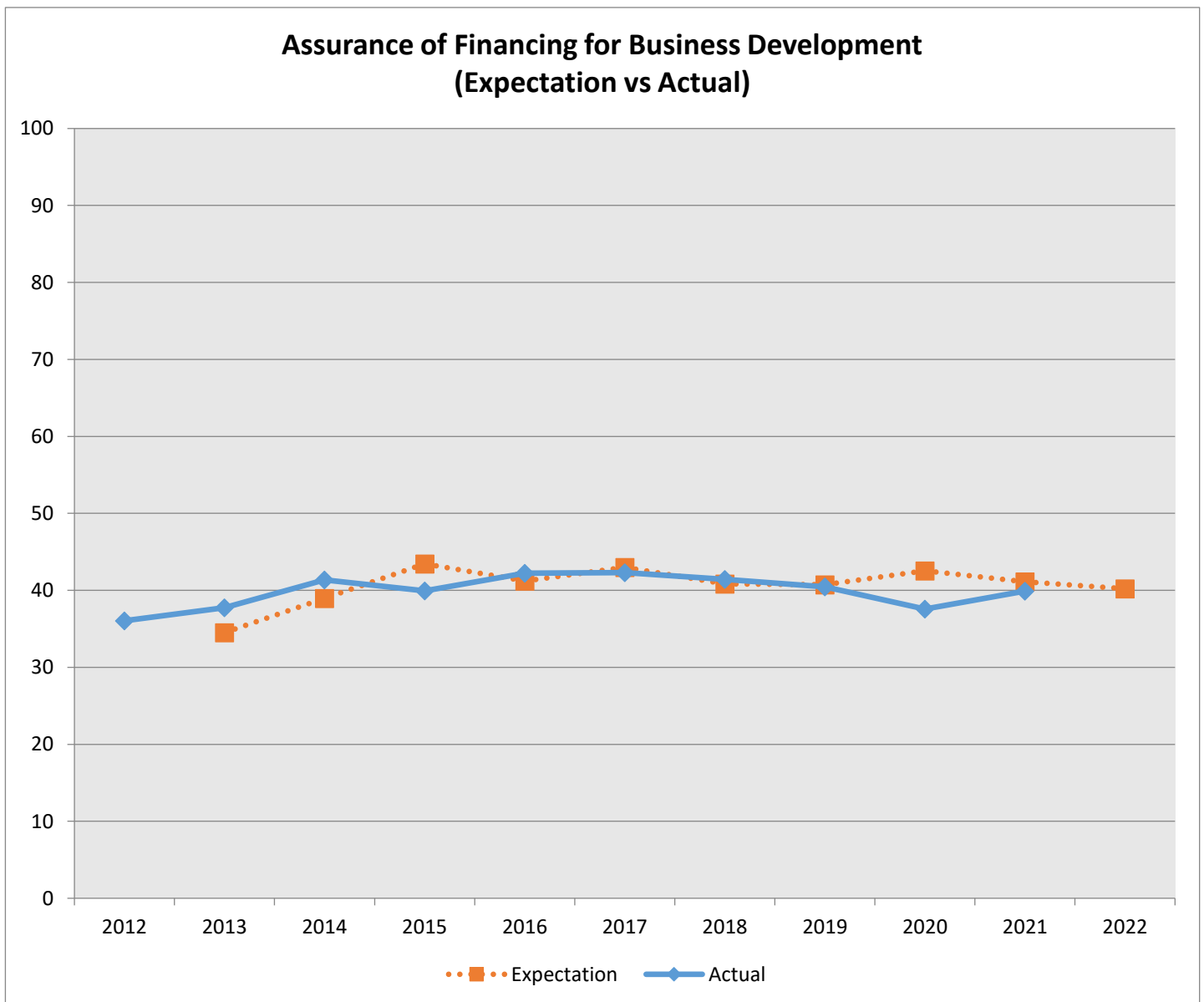


Assurance of Financing for Business Development



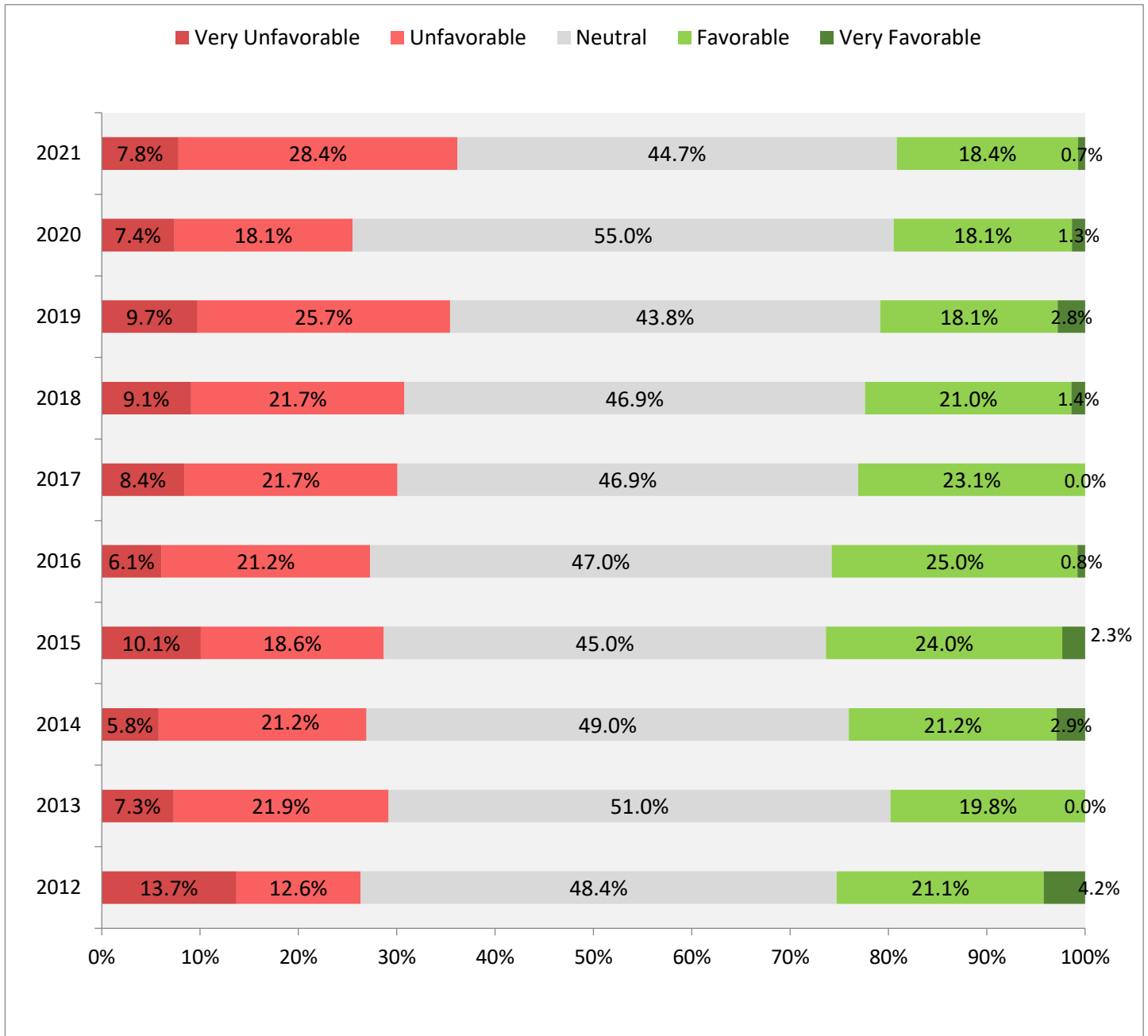
This chart shows the indicator evolution. **Higher scores indicate a better perception.**

The following graph shows the expectation of the Amcham members for *finding of financing for business activities* for 2022. The graph also compares the expectation vs the actual result for each previous year. (Additional question made was: *How do you expect finding of financing for business activities to be during 2022?*)

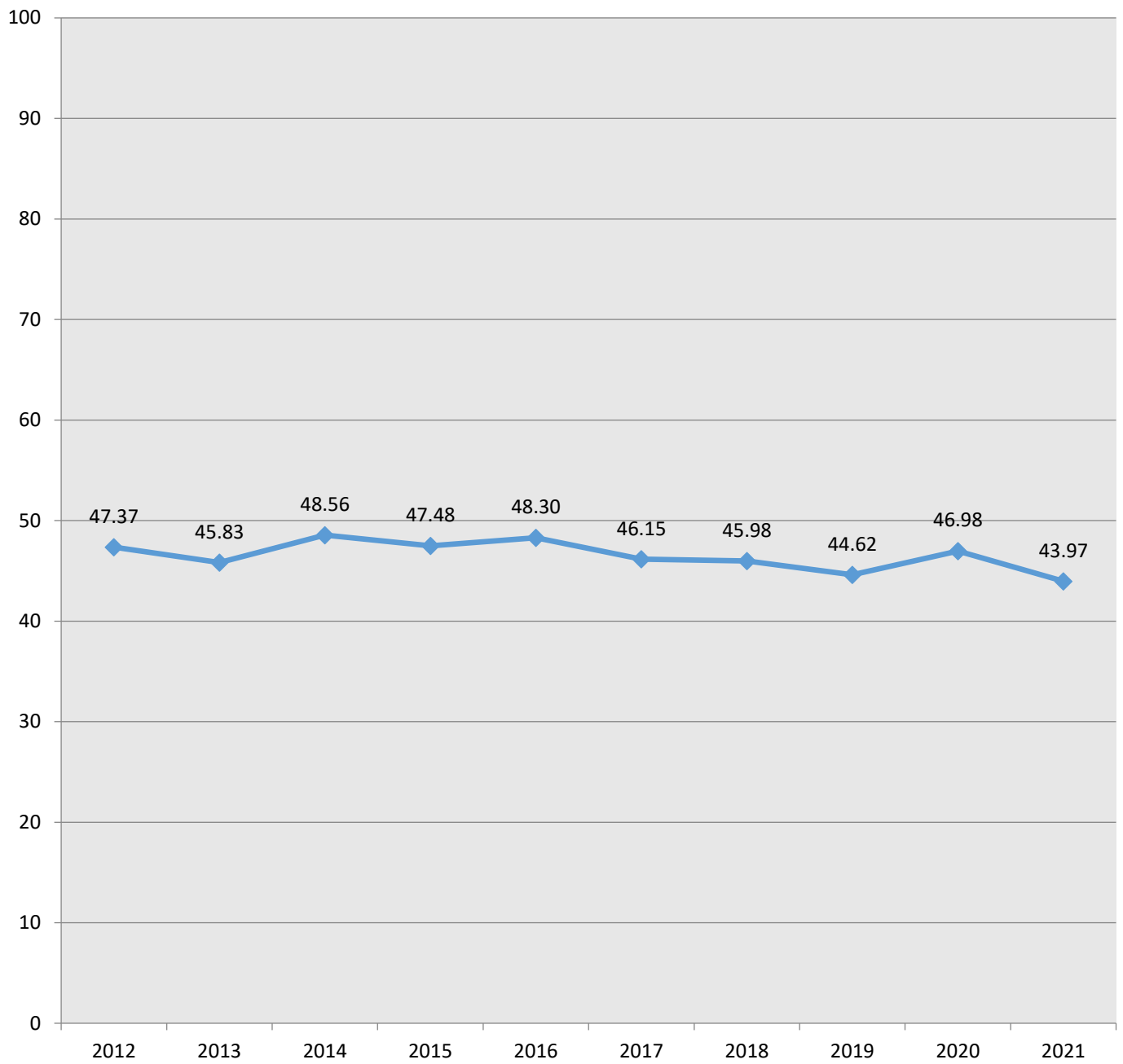


4.7.2 Banking Sector Policy and Services

How do you consider the policy and services that the banking system provided to your business during the last year (2021)?



Banking Policies and Services

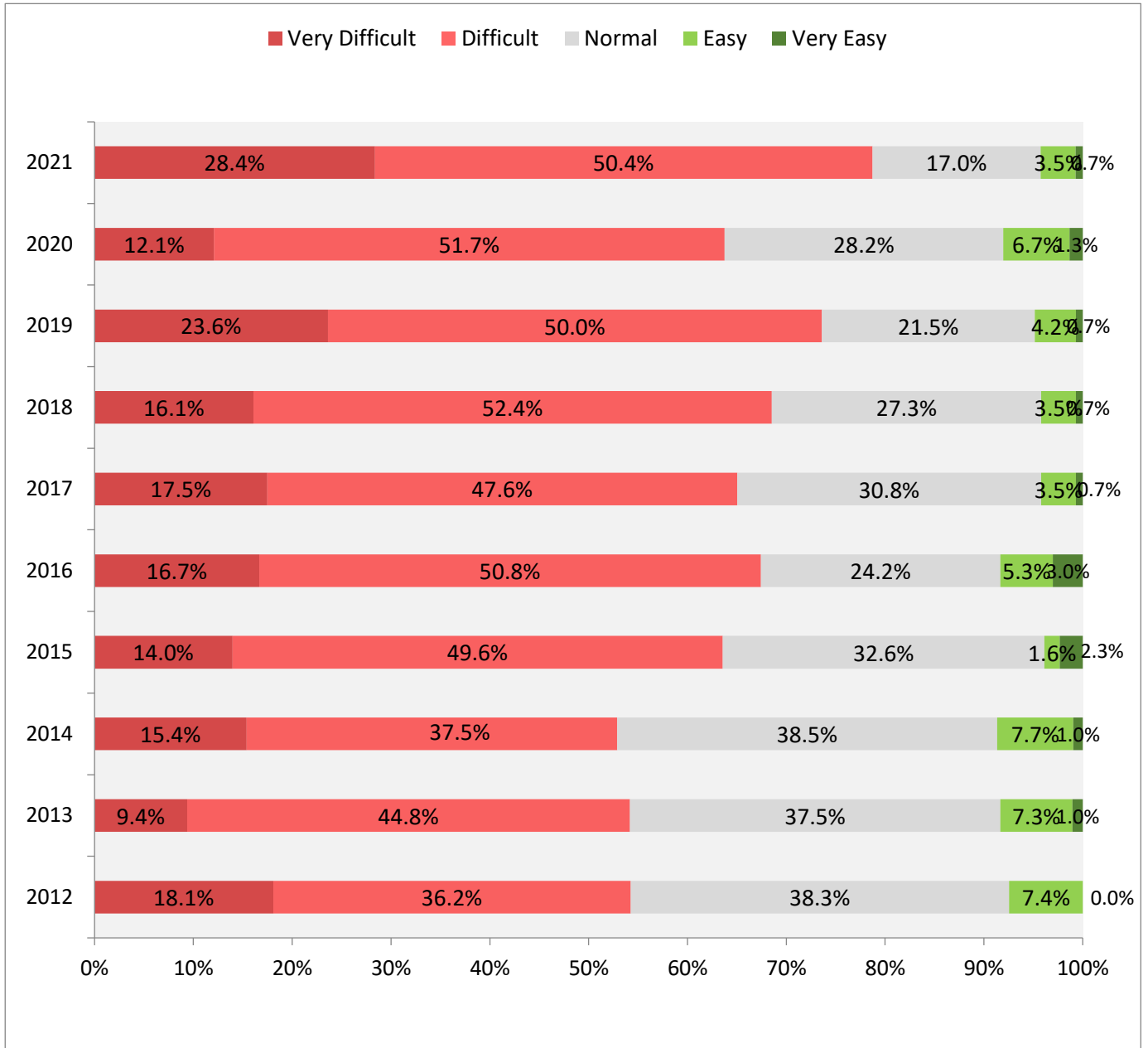


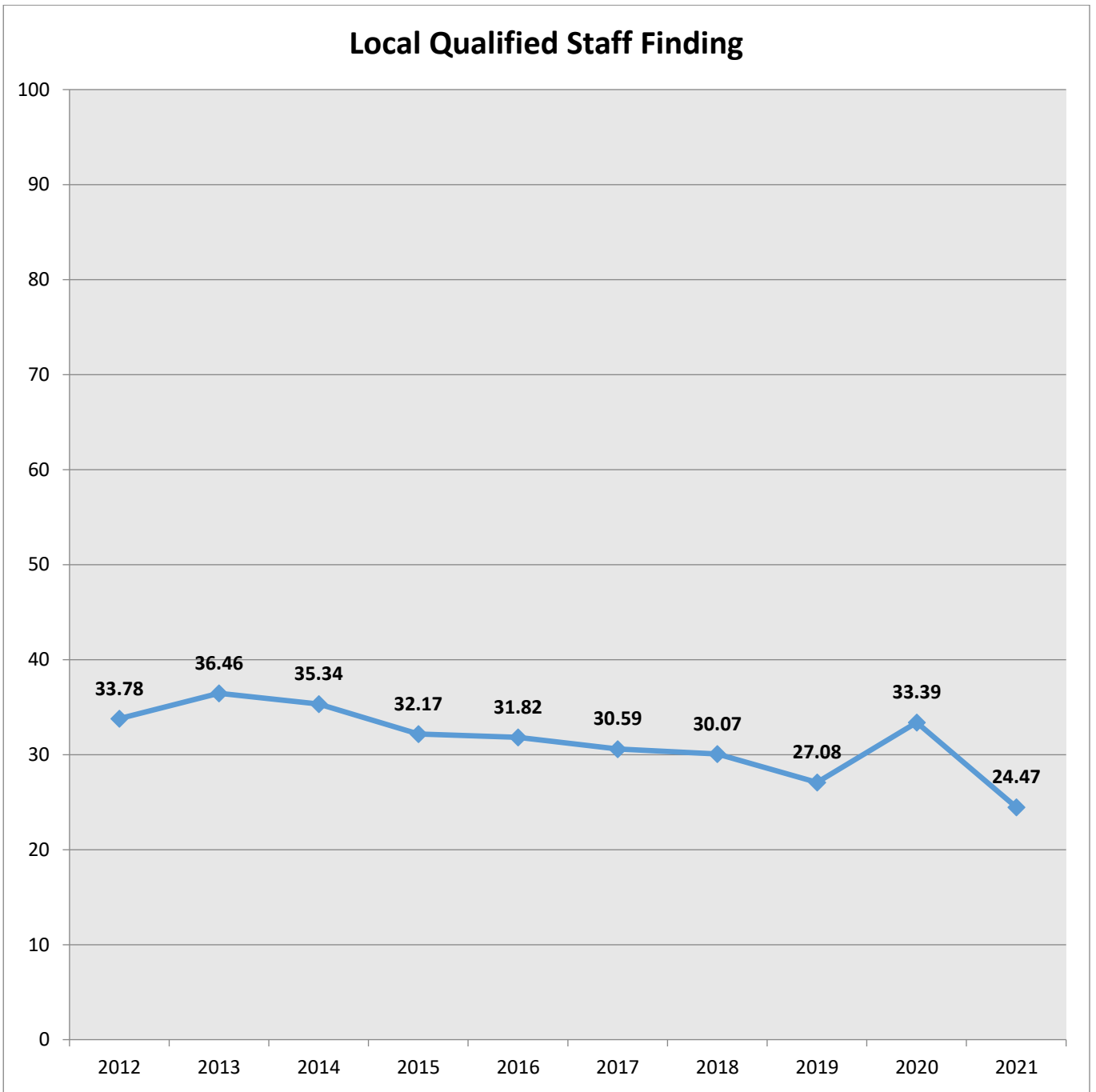
This chart shows the indicator evolution. **Higher scores indicate a better perception.**

4.8 HUMAN RESOURCES

4.8.1 Finding Local Qualified Staff

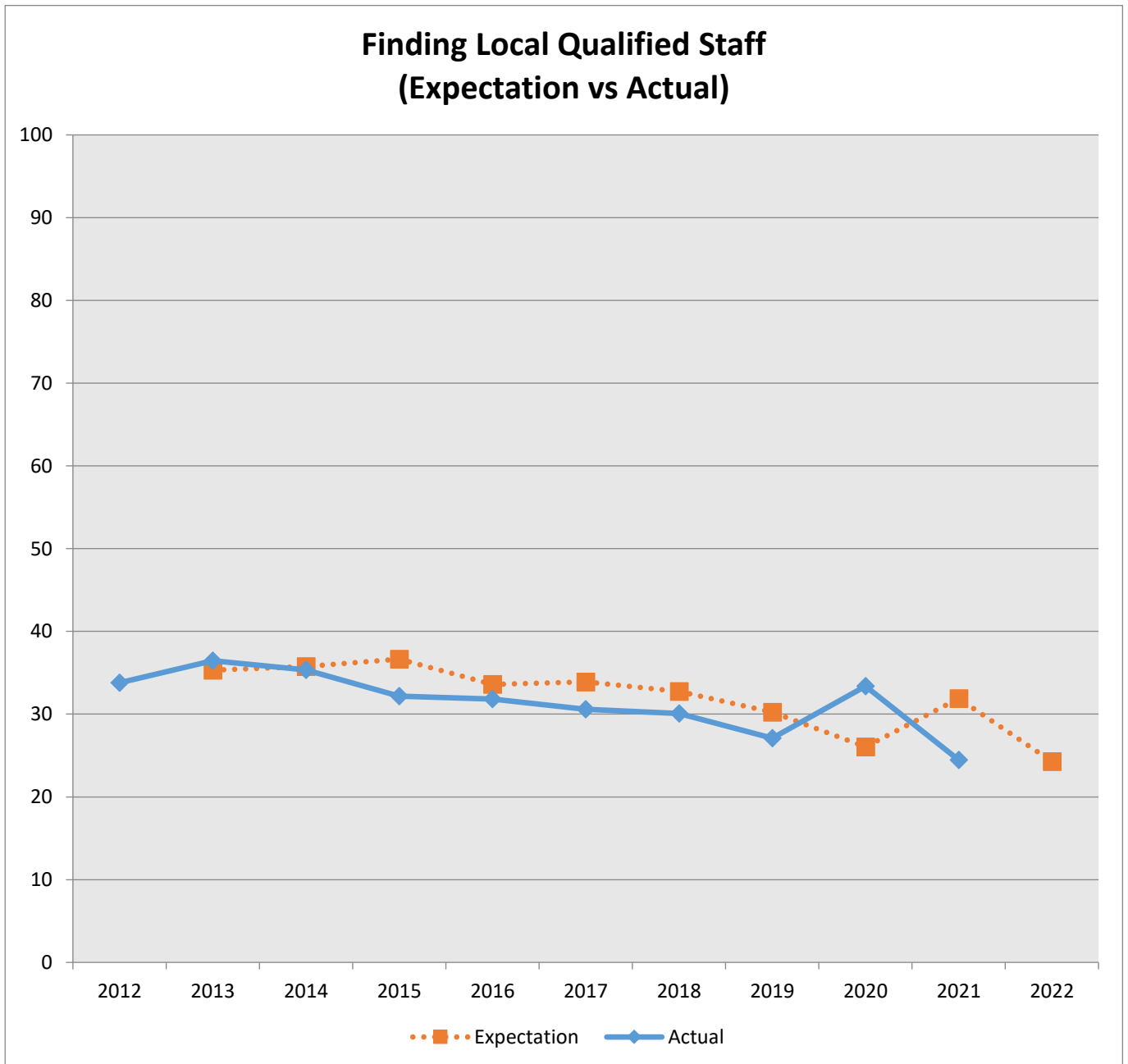
How easy was for your company to find local qualified staff during last year (2021)?





This chart shows the indicator evolution. **Higher scores indicate a better perception.**

The following graph shows the expectation of the Amcham members regarding *finding of local qualified staff* for 2022. The graph also compares the expectation vs the actual result for each previous year. (Additional question made was: *How do you expect finding of local qualified staff to be during 2022?*)



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6 ANNEX I: INDEX CALCULATION METHODOLOGY

6.1 QUESTIONS INCLUDED IN THE INDEX

The AmCham Business Index is calculated based on the results of each of the following questions.

AmCham Albania Business Index Table		
	Questions	Weights
Overall Business Climate		100%
How was the business climate in Albania for the last year?		25%
Business Climate Factors		25%
Please rate the level of the following factors for the last year in relation to your business activity?		
Corruption level		2.5%
Government bureaucracy		2.5%
Informal economy level		2.5%
Monopoly and unfair competition		2.5%
Please rate the level of the following factors for the last year in relation to your business activity?		
Order and safety		2.5%
Internal political climate		2.5%
Infrastructure		2.5%
Energy supply		2.5%
Private Property		2.5%
Intellectual Property		2.5%
Government Policy		20%
How was the relation of your business with the following public institutions for the last year?		
Relation with tax authorities		1%
Relation with customs authorities		1%
Relation with ministries		1%
Relation with local government		1%
Relation with courts of justice		1%
How do you consider the economic reforms and central government policy in the last year for your business?		4%
How do you consider the overall tax level applied in the last year for your business?		5%
How do you consider the application of the laws and regulations toward your business in the last year?		6%
Performance of the Economy		5%
How do you consider the performance of the Albanian economy during last year?		5%
Business Activity		15%
How has the demand for your firm's goods and services developed during the last year?		6%
How has your firm's total employment changed last year?		6%
How has your company investment changed during last year?		3%
Financial Environment		5%
How easy was for your company to assure financing for business development during last year?		5%
Human Resources		5%
How easy was for your company to find local qualified staff during last year?		5%

These questions have five possible answers starting from negative (with 0 score) to very positive opinion (with 100 score).

For example the question “How was the business climate in Albania for the last year (2018)?”
The scoring per each choice is:

Very Unfavourable	0
Unfavourable	25
Neutral	50
Favourable	75
Very Favourable	100

Each question used for the calculation of the index has a weight which is based on its relative significance on the overall business environment in Albania. For example the question “How do you consider the performance of the Albanian Economy last year?” has weight of 5% of the total index.

The sum of all weighted results is the result of AmCham Business Index.

6.2 CALCULATION FORMULA.

First is calculated the average score of each question included in the index calculation using the below formula:

$$\bar{q} = \sum_{i=1}^n x_i / n$$

Where: \bar{q} is the average score of the question

x_i is the score of each answer given to the question

$\sum x$ is the sum of scores given to the question

n is the number of respondents that answered to the question

Then, the AmCham Business Index is calculated as the weighted average of the scores of the questions, using the below formula:

$$ABI = \sum_{i=1}^n (\bar{q}_i \times w_i)$$

Where: **ABI** is the AmCham Business Index

\bar{q}_i is the average score of each question calculated previously

w_i is the weight allocated to each question

n is the number of questions included in the index calculation

