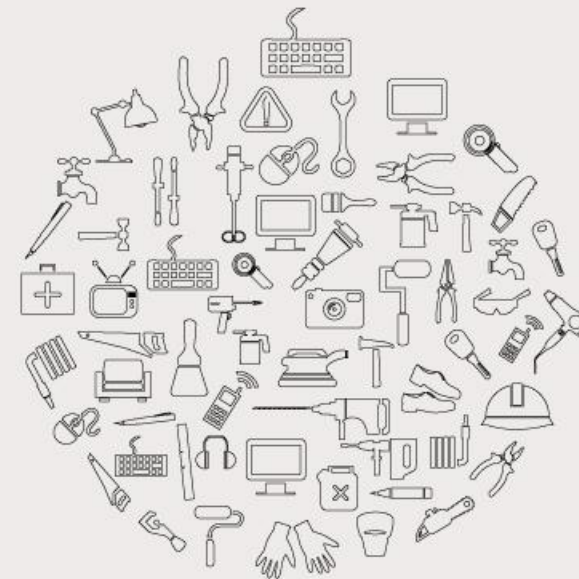




REPUBLIKA E SHQIPËRISË  
MINISTRIA E FINANCAVE  
DHE EKONOMISË

# ALBANIAN ECONOMY IN BRIEF



ACCELERATING  
GROWTH THROUGH  
EXPORTS AND  
FDI

MAINTAINING  
MACROECONOMIC  
STABILITY

# Albania by the numbers

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## GENERAL

<b>Surface area:</b>	28,748 km <sup>2</sup>
<b>Population:</b>	2,845,955 inhabitants
<b>Government:</b>	Parliamentary Democracy
<b>Language:</b>	Albanian
<b>Currency:</b>	ALL (1 EUR = 124 ALL)



# Albania by the numbers

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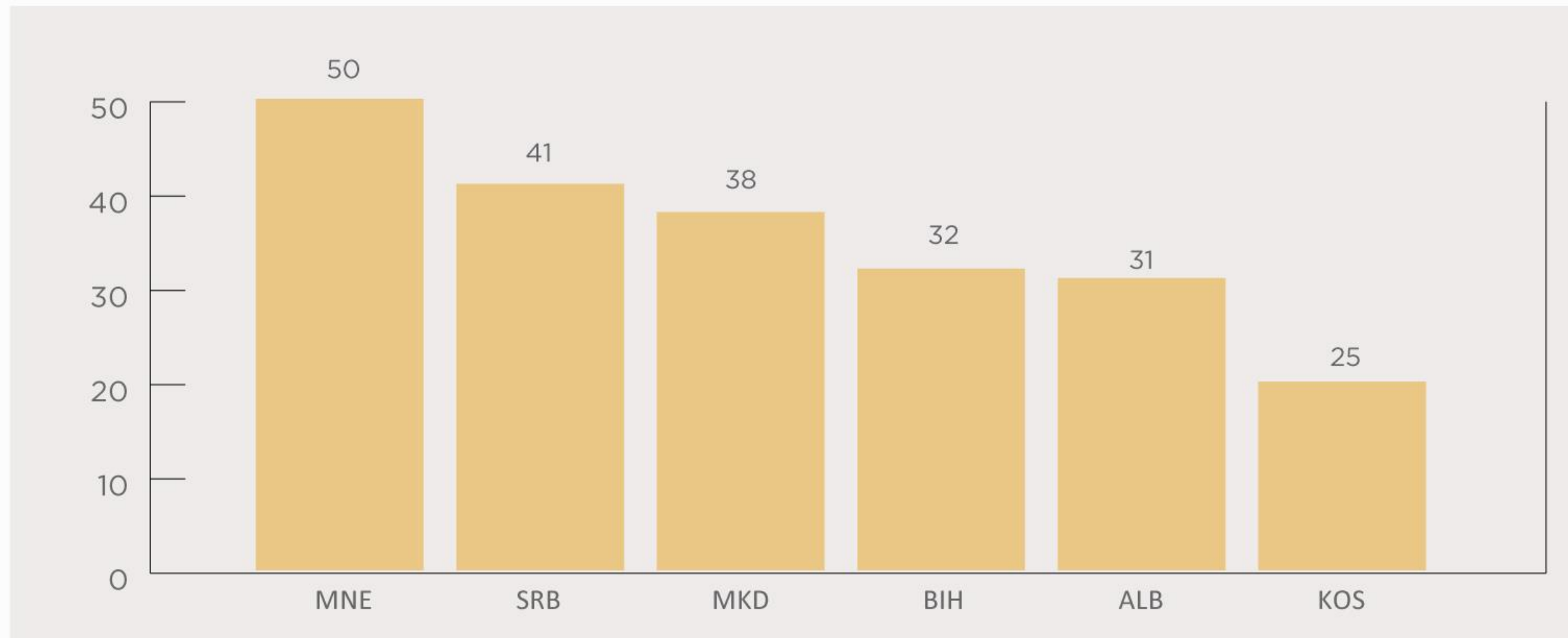
## ECONOMIC INDICATORS

**GDP per capita (PPP), 2019:** EUR 10,522  
**Real GDP growth (2019\*):** 2.2%  
**Inflation (Dec 2019):** 1.1%  
**Unemployment (2019):** 11.5%  
**Avg. monthly wage (2019):** ALL 52,380

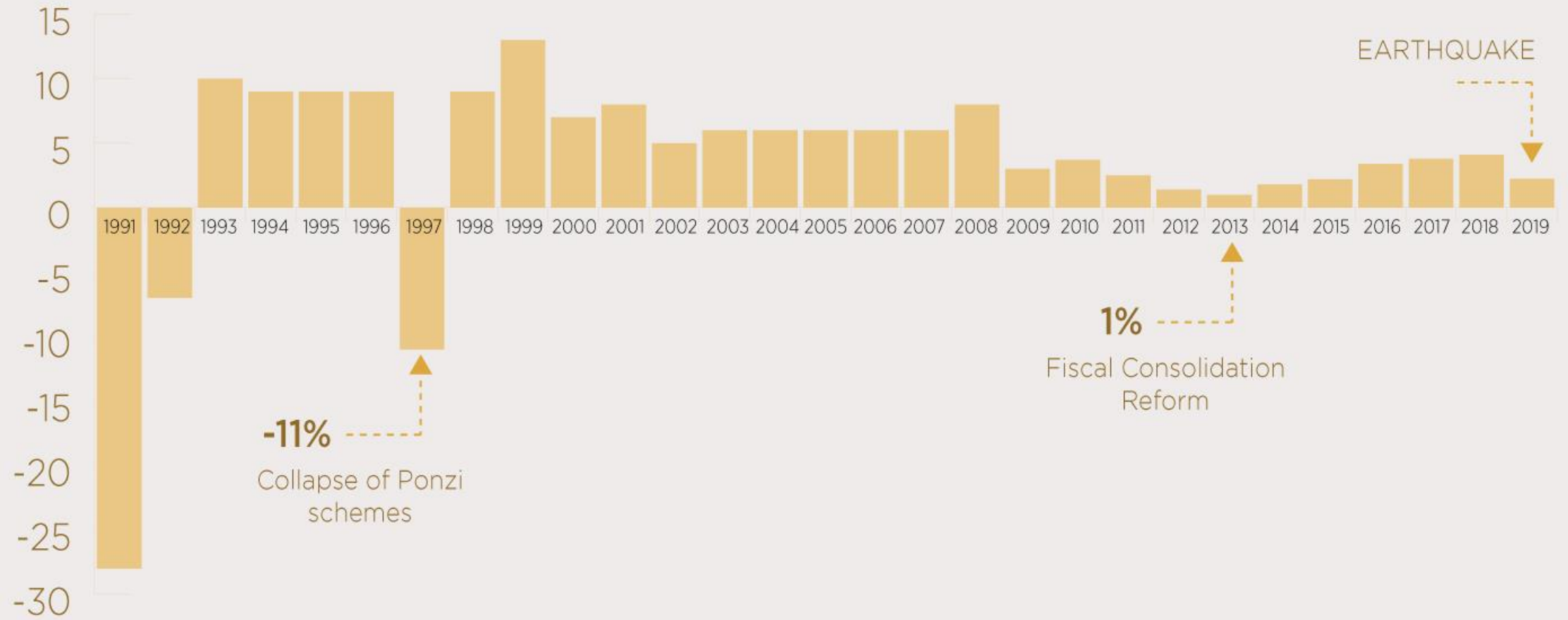


# GDP per capita (PPP) 2019

INDEX EU27 = 100



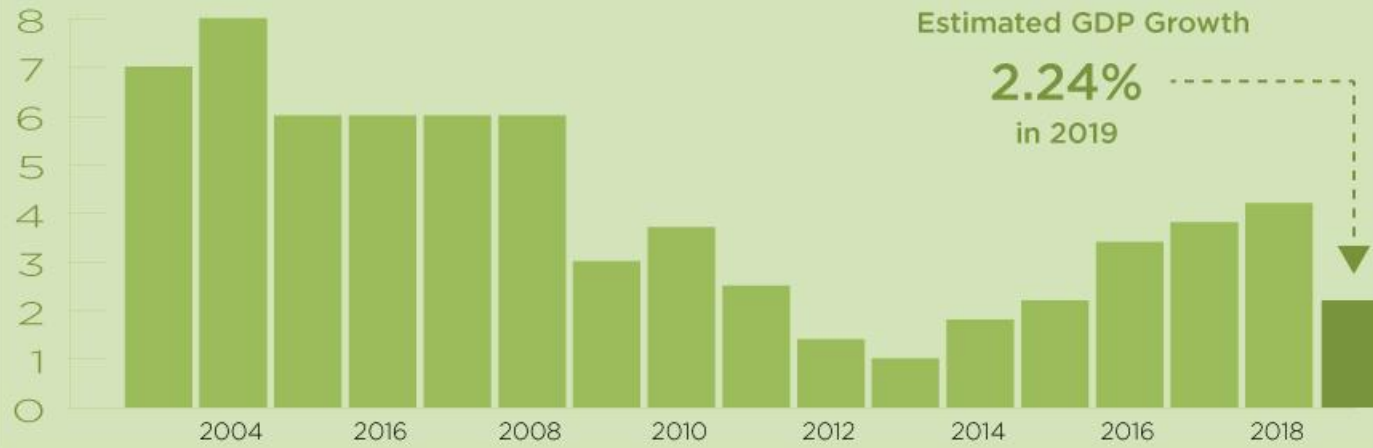
# GDP growth





# GDP by sector

## ANNUAL ECONOMIC GROWTH



## PRIMARY SECTOR

Contributes

**21.4%**

to AL economy



AGRICULTURE  
 **18.6%**

accounts  
the highest % of  
overall GDP

MINING

**2.8%**



## SECONDARY SECTOR

MANUFACTURING

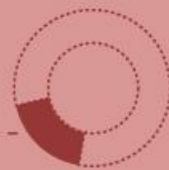
**6.3%**



Contributes

**17.3%**

to AL economy



ELECTRICITY + WATER

**2.5%**



CONSTRUCTION

**8.5%**



## TERTIARY SECTOR

Contributes

**64.1%**

to AL economy



TRADE



**11.1%**

GOVERNMENT

**11.7%**



TRANSPORT

**3.3%**



FINANCE



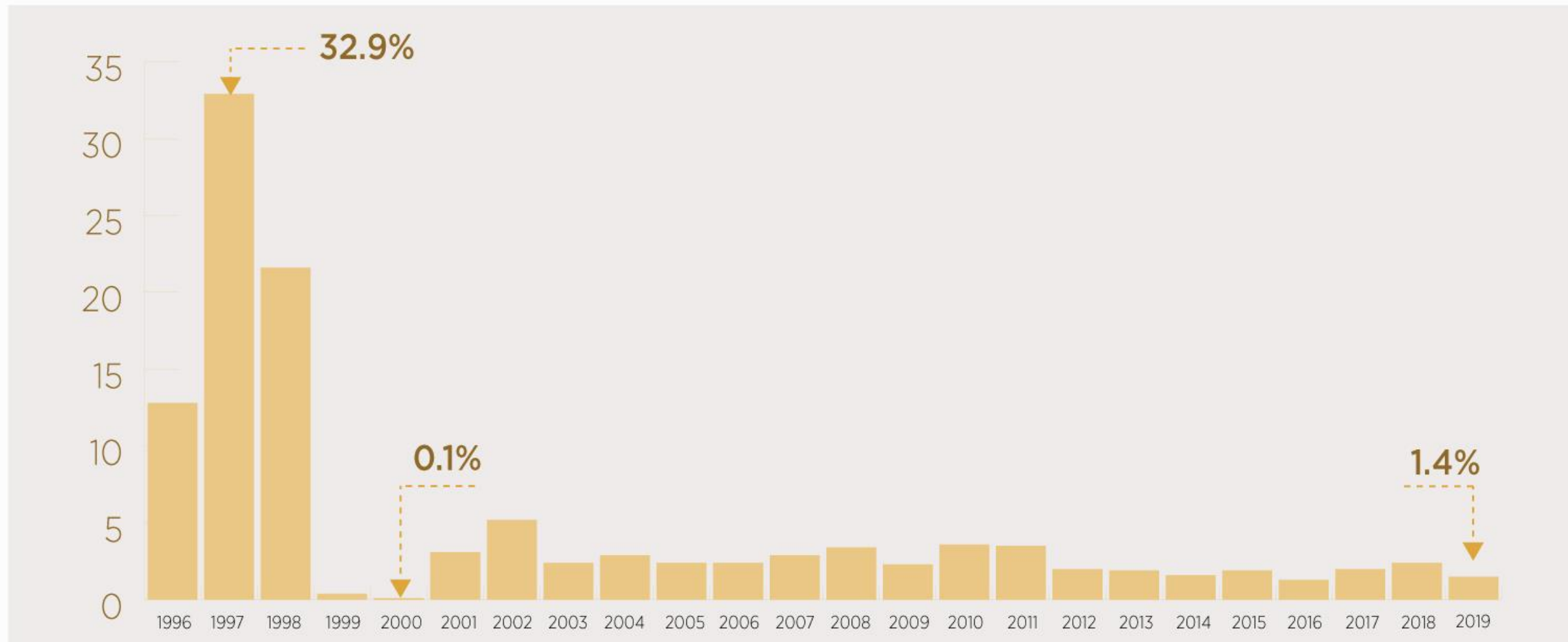
**8.1%**

HOSPITALITY & FOOD

**2.6%**



# Inflation 1996-2019



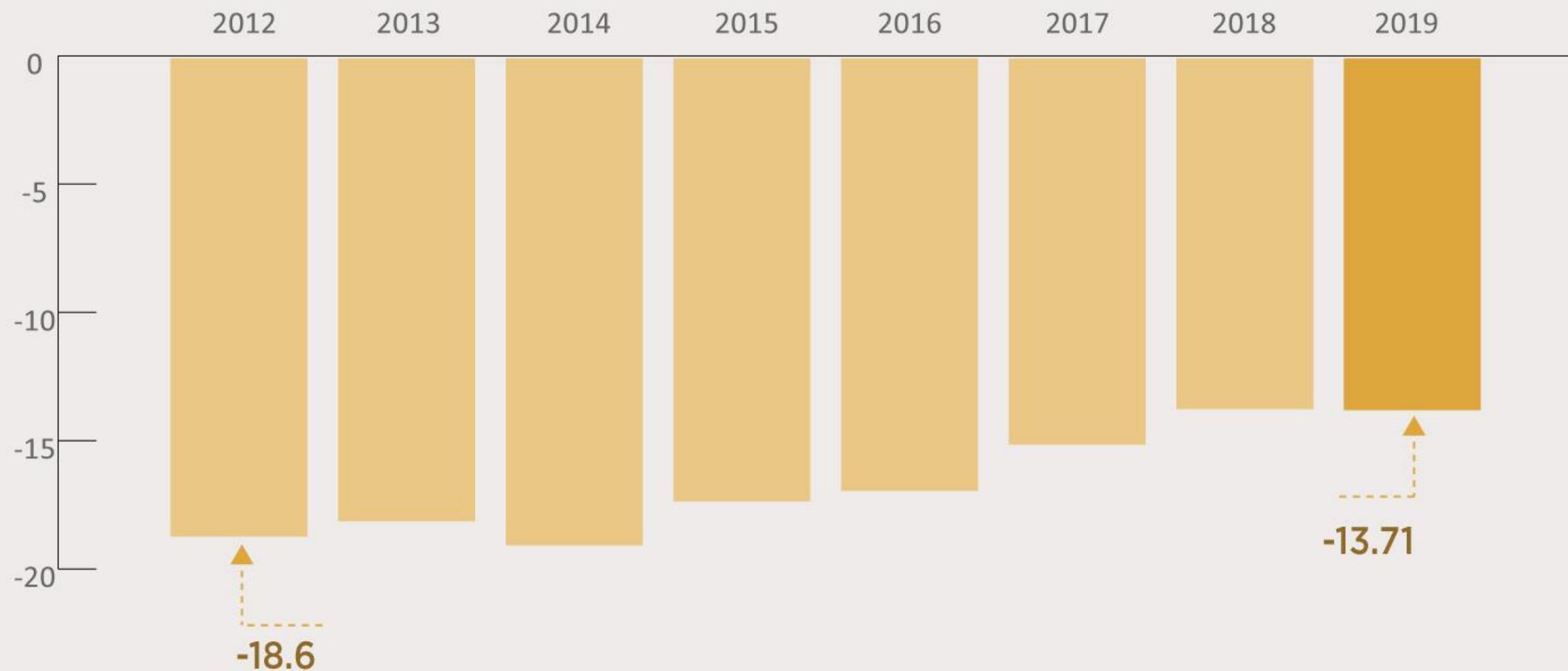
# Credit Ratings

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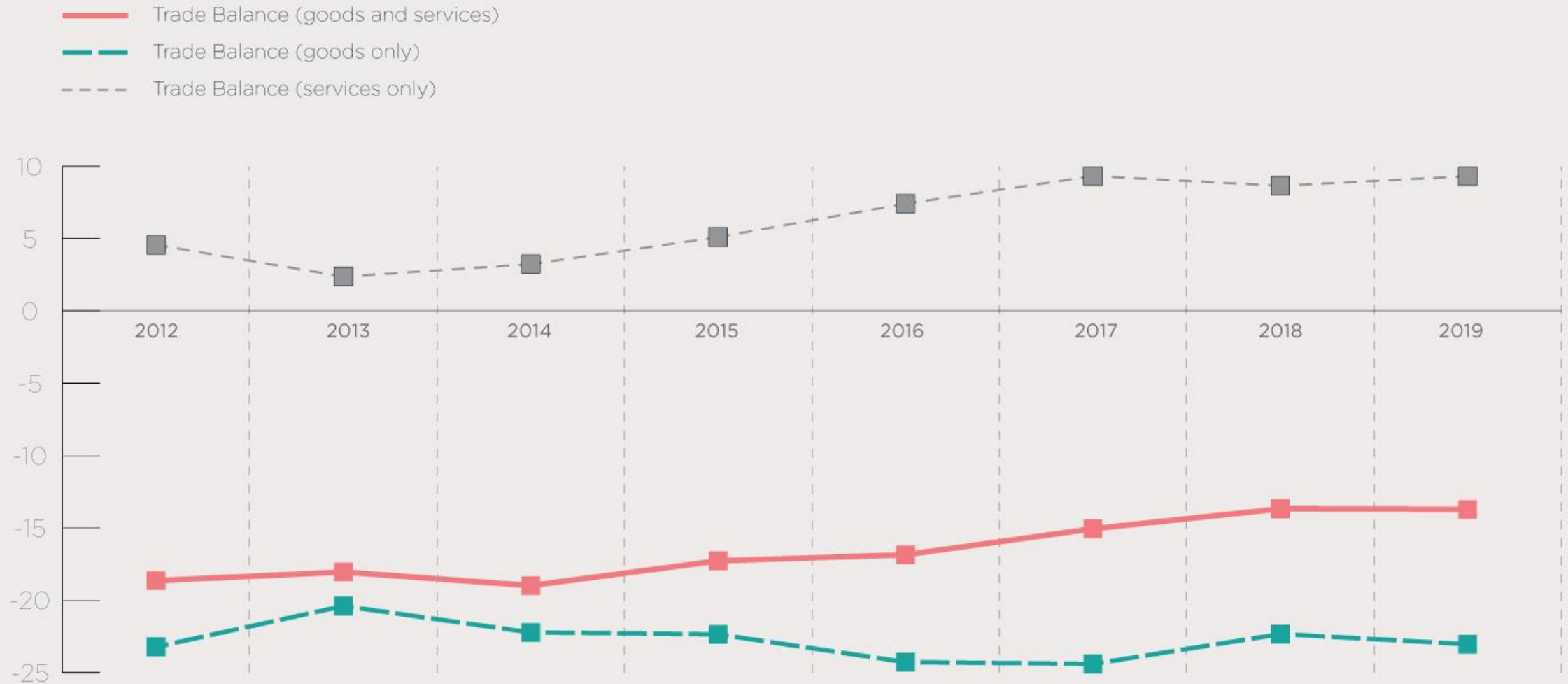
	S&P	FITCH	MOODY'S
ALB	B+	n.a.	B1
SRB	BB+	BB+	Ba3
MNE	B+	n.a.	B1
MK	BB-	BB+	n.a.
BIH	B	n.a.	B3
KOS	n.a.	n.a.	n.a.



# Trade Balance (% of GDP)



# Trade Balance (% of GDP)



# Labour Market Snapshot



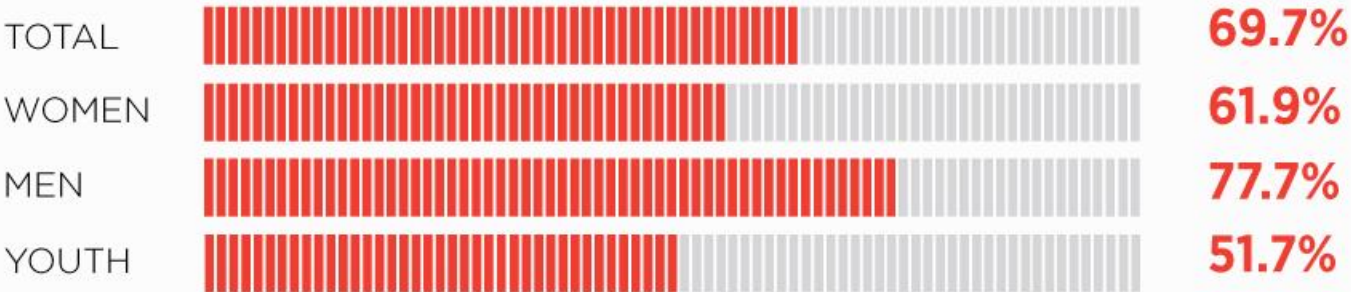
WORKING AGE POPULATION

2,367,105

## OVERALL UNEMPLOYMENT RATE (15+) - Q4 2019



## LABOUR FORCE PARTICIPATION RATES (15-64)



# Investment Climate

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## LEGAL FRAMEWORK

- Non-discriminatory & transparent procedures in public procurement
- Equal treatment
- No prior authorization required for foreign investment
- No limitation on foreign shares in companies
- No expropriation or nationalization
- Special state protection

## BILATERAL INVESTMENT AGREEMENTS

## AIDA - ONE STOP SHOP

## SUPPORT THROUGH AFTER CARE SERVICE



# Tax System in Albania

## Corporate Tax Rate



**15%**  
5% ICT  
5% Auto

## Personal Income Tax Rate



**0%**  
**13%**  
**23%**

## Sales Tax



**20%**  
6% Hotels

## Social Security



**15%**



**9.5%**



# Tax System in Albania

## Property taxes

Households



0.05%

Commercial



0.2%

Construction site



30% of property tax



# Doing Business in Albania 2020

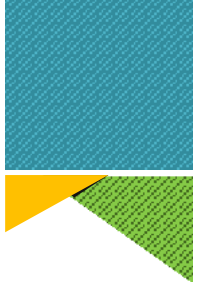


\* Significant drop (from 22nd to 111th) due to change in methodology  
lack of listed companies in the exchange market

# TOP 5 REASONS WHY TO INVEST IN ALBANIA

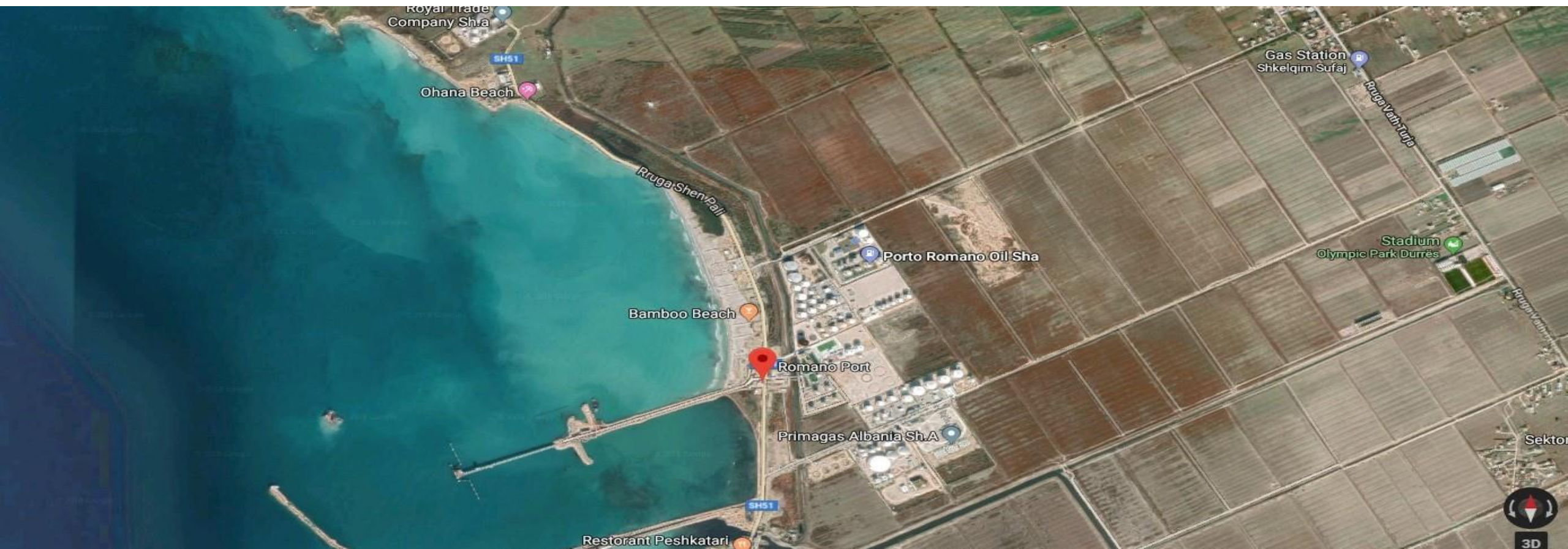


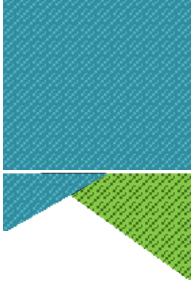




# TEDA

Technological Economic Development Areas





# TEDA

## Incentives on Technical and Economic Development Areas – Free Zone



1

Developers and users shall be exempted from **50% of the profit tax** rate for a period of **5 years**

2

For developers 20% deduction on annual capital expenses within **3 years of commencement of work**

3

Supply of Albanian goods, intended to enter the area, shall be considered as a supply for export **at zero scale of VAT**

4

Developer's project shall be **exempted from infrastructure tax**;

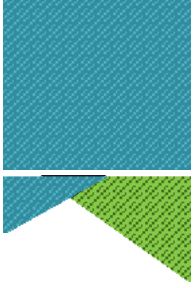
5

Buildings constructed in the area shall be **exempted from real estate tax** for a period of 5 years and from **tax for transfer of ownership**

6

Wages and social costs shall be 150 % deductible for the first year, and new expenses for wages and social costs compared to the previous year are 150 % deductible for the subsequent years



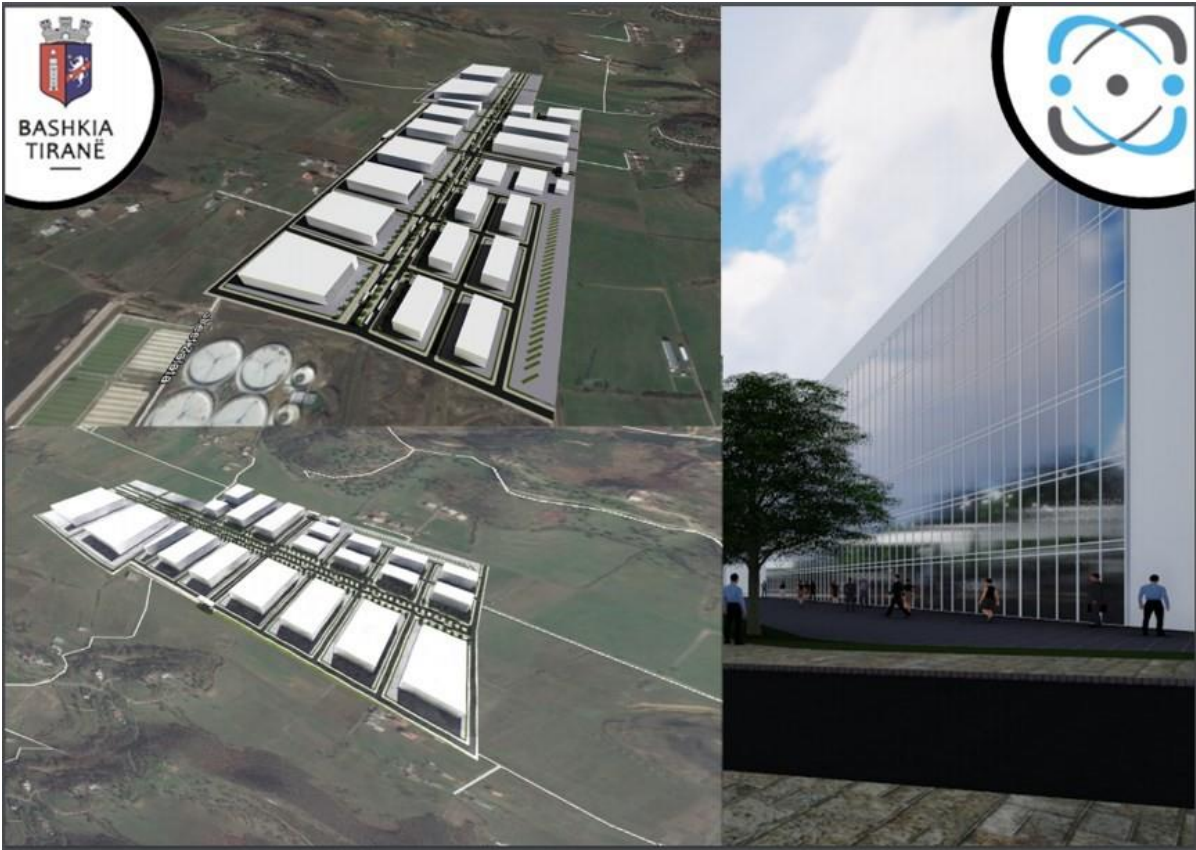
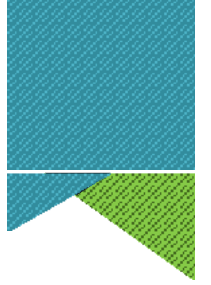


# TEDA - Spitalla



- 100 Ha Green field tailored according to developer's needs
- 99 years lease 1 euro
- 40 KM from Tirana -(40% of Albanian GDP about 1million in population)
- 30 KM from Rinas – Albanian International Airport
- 6.4 KM from Durres – Albanian main Port
- 156 KM form Kosovo border
- 142 KM from Montenegro border
- 142 KM from Macedonia border
- Infrastructure to the gate
- **Total value 90-120 Million Euro investment**

# TEDAGreen field Kashar - Tirana



- 50 Ha Green field tailored according to developer's needs
- 10 KM from Tirana -(40% of Albanian GDP about 1million in population)
- 10 KM from Rinas – Albanian International Airport
- 30 KM from Durres – Albanian main Port
- Infrastructure to the gate



# URB Rubik – Ex Copper Refinement Plant



Rubik, Mirditë

4.8 ha Brown Field



Ready for **Development Phase**

€1 Symbolic Fee Contract  
Rent Agreement

**Estimated Investment** Subject to  
Proposals



## Potential economic activities

- Heavy Industry Development;
- 
- Light Industry Development;
- Logistics and Distribution;
- Technological and Economic Development Area;
- Reactivation of previous metal recycling functions.

# “Cable Production” Plant Shkodër



**Shkodër**

**8.5 ha**



Ready for **Development Phase**

€1 Symbolic Fee Contract  
Rent Agreement

If TEDA – Operations for 99 years

**Estimated Investment** Subject to  
Proposals



## Potential economic activities

- Light Industry Development;
- Reactivation of Wire and Cable Production Functions;
- Technology and Automotive Industries;
- High Value Added Industries;
- Logistics and Distribution;
- Technological and Economic Development Area.

# TEC Elbasan



Elbasan

12.7 ha



Ready for **Development Phase**

**€1 Symbolic Fee Contract**

Rent Agreement or TEDA

**Estimated Investment** Subject to  
Proposals



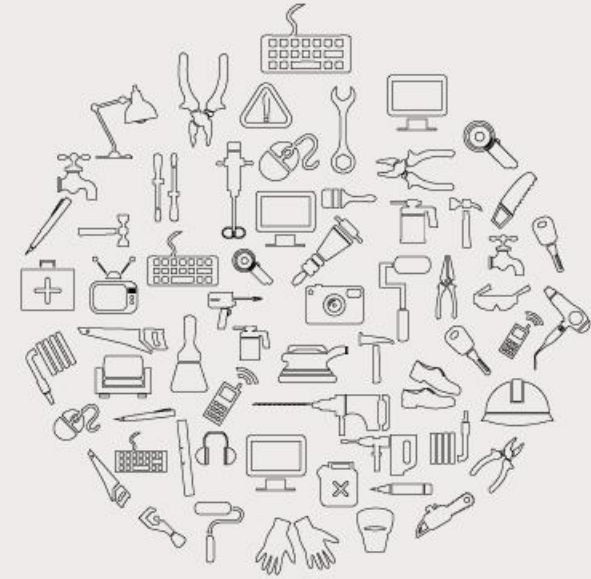
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- Heavy Industry Development;
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- High Value Added Industries;
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- Technological and Economic Development Area.



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THANK YOU!



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