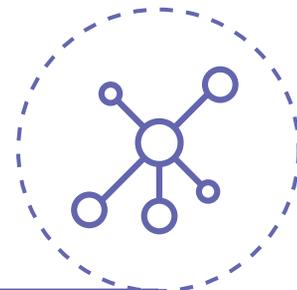


invest in Albania



FACTSHEET

ICT and BPO Sector



OVERVIEW

The ICT-BPO sector has been targeted as one of the activities with large increment in the last years. The top outsourced activities in Albania are Data entry and Call Centers, which export services to EU countries, mainly Italy. The ICT-BPO sector in Albania has the potential to further expand in two ways. Firstly, by taking advantage of the multilingual capabilities of its population, Albania aims to attract foreign investors which can export the already present services to a wider market in Western Europe. Secondly, the ICT-BPO sector shows the prospective to further develop by jumping into higher margin/niche services and by diversifying the range of its

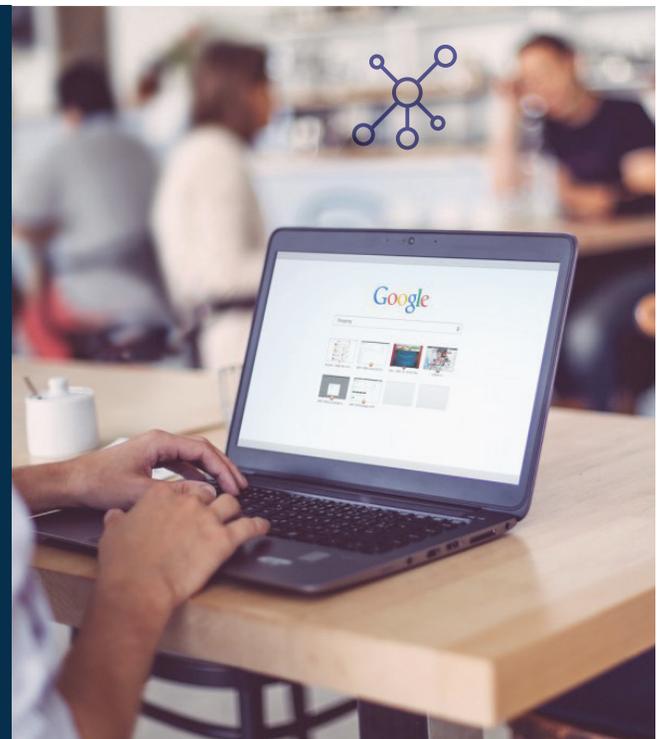
activities, attracting investments related to more complex processes in Finance & Accounting, Digital processes, Software Design and Development, Block-chain technologies, Cyber-Security, etc. Albania has transformed into a major destination for ICT-BPO services with its urban culture, availability of resources, infrastructure and attractive Investment Incentives. Tirana is the main ICT-BPO hub of Albania, followed by Durrës, Shkodër and Vlorë. The ICT-BPO sector in Albania has seen steady growth since its inception, increasing employment and reaching industry values that exceeds \$130 Million.

WHY INVEST IN ICT AND BPO



INFRASTRUCTURE AVAILABILITY

- High Internet Penetration and Fixed Line Connectivity;
- Highest level of mobile phone penetration in the region, amounting to 1 875 subscriptions per 1000 inhabitants;
- 63% of population has 3G/4G broadband access, while 50% of families have fixed broadband access;
- The percentage of enterprises with internet access is 97.8 % of total enterprises and 100 % of the enterprises with 250+ employees, exceeding the EU member states' indicator average of 97.0 %.



35.000
EMPLOYED IN THE
ICT BPO SECTOR IN
ALBANIA

5% INCOME TAX
CORPORATE INCOME TAX IN
SOFTWARE PRODUCTION AND
DEVELOPMENT

130mln\$
ESTIMATED VALUE OF THE
ICT BPO INDUSTRY IN ALBANIA



OVERVIEW OF HUMAN RESOURCES

Availability of skilled workers:

- 28.9% Unemployment in the 15-29 age group.
- Skills in foreign languages: 39.9% of the 26-64 years old population is able to use at least one foreign language, while in the younger the age group of 25-34 years old, 58.9% of the population know at least one foreign language.

Labor costs:

- Approximately 50% lower than regional countries, with a monthly minimum wage of 214 EUR.
- The average annual labor cost is estimated to be 741,360 ALL (\approx 6,120 EUR), while the average annual labor cost in Information and Communication is 1,094,132 ALL (\approx 9,000 EUR).

Education and training institutions:

- Over 20 universities, generates a high proportion of graduates in Business, Law, Humanities and STEM courses (49.1% of 2018 graduates). This offers a large pool of foreign speaking graduates and skilled resources which can be immediately absorbed by the Albanian BPO industry.



INDUSTRY STRUCTURE

Currently, Albania is well-positioned in several key groups of services, which are illustrated in more detail in the list below:



CUSTOMER INTERACTION SERVICES AND CALL CENTERS

Inbound services

Outbound services



IT AND SOFTWARE OPERATIONS

Product Localization

IT Maintenance and Helpdesk

Human Resources

Web and Graphic Design

Software Development

Digital Marketing services



FINANCE AND ACCOUNTING

Auditing Services

Corporate governance services

Fraud protection

Sustainability Reporting services

Financial and Banking Law

Tax, Transaction and Legal Services



SUCCESS STORIES

Currently there are more than 3000 active companies operating in the ICT and BPO sectors in Albania. Their services are used by internationally renowned brands such as: Apple, Vodafone, Adidas, eBay, Barclays, Groupon, Lufthansa Group, Air France, and Alitalia. Some of the major client markets include Italy, the UK, France, Spain, Germany, Austria, and Switzerland.

Due to its significant potentials, Albania has become the destination of several successful companies and foreign investors in the ICT and BPO sector, such as Lufthansa Industry Solutions, Deloitte, Teleperformance, IDS, B810, Innovaway, Alba Contact, Albacall, Ernest & Young, Euroservices and LocalEyes.

Deloitte.



**Lufthansa
 Industry Solutions**

LOCAL EYES

Smart content powers progress

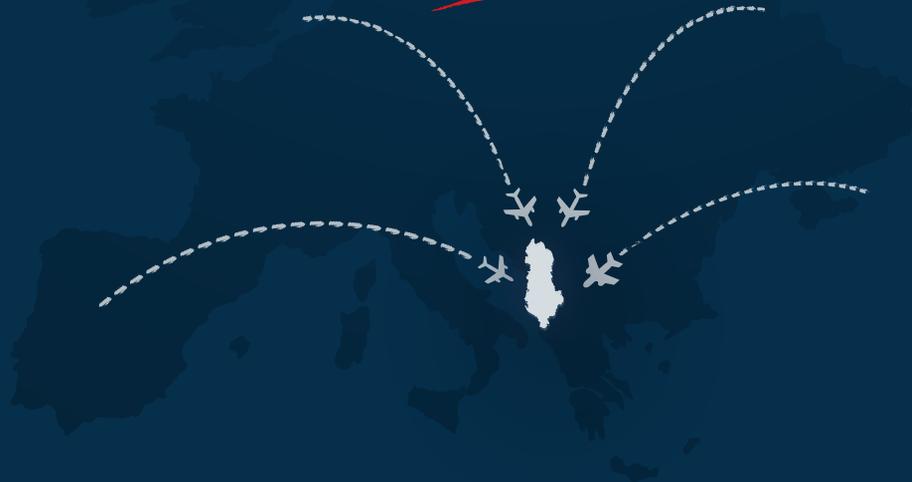




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