

CCIFA Weekly News

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SOON...



**The summer break is over and to highlight
being Back to Business, CCI France Albania is
organizing
A networking Evening**

**In partnership with DIHA and several
Chambers of Commerce**

**INTERNATIONAL
TASTING
Wine & Spirits**

October
Tirana Business Park

Join us for this multicultural event and let your senses experience a variety of global flavors without leaving Tirana thanks to a selection of wines and other drinks from different countries.

Network with and meet members from other Chambers and catch-up with existing contacts while drinking fantastic beverages from all over the world!

This event is reserved to women- members' representatives

“GATHERING FOR A CAUSE”

September 2017

Dear CCIFA women members,
Dear colleagues,

Come and join us at “**Gathering for a Cause**” for an inspiring evening, socializing and networking.

We introduce hand-to-hand giving to our guests – their in-kind gifts are distributed immediately to **Abandoned Babies in Albania**

Our innovative approach to philanthropy educates and energizes women, members of CCIFA about their impact on local needs. **We believe in the power of women!**

This evening also gives you the opportunity to make valuable business connections with our network.





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Kallfa Sh.p.k...

SHORT COMPANY PROFILE

Kallfa SHPK is a company created in 1997, with an experience of nearly 20 years in the Albanian market.

Our activity is focused in the information and technology field including hardware: Copier, Printer, scanner, Computers, Mailing Systems and software: document management software, Managed print services software etc. Projecting and developing network and printing management solutions for office and enterprise it is part of our main activity. Our aim is to offer to the customer a complete solution from the phase of projecting to the final implementation phase of the project. Kallfa SH.PK is certified ISO 9001 to 2000, ISO 27001 : 2013 and ISO 22301 : 2012.

Kallfa Company is distributor of well-known leaders in the ICT field like: XEROX (Distributor), RICOH (Distributor), Objectif Lune (Distributor), Equitrac (Distributor), Kern (inserting system) Partner etc. It's because of our professionalism and accuracy that we enjoy a good reputation in our co-partners and clients.

KALLFA Sh.PK has Service Contracts with customers as following: Albanian Parliament, Foreign Ministry, USAID, USA Embassy, Greek Embassy, German Embassy, OSCE, UNDP, NBG Bank, Alpha Bank, Societe Generale Bank Albania, Pro Credit Albania, Plus Communication, Albtelecom and Eagle Mobile etc. During these years Kallfa Sh.p.k has accomplished many projects with different wellknown partners in Albania.

During the last year our activity has been focused especially in the Document Management and Managed Print Services for the banks that operates in the Albanian market. We have implemented successfully the Document Management Software (MPS) platform in six banks with branches all over the country. MPS provides an innovative way for small and medium organizations to regain control over complex and unmanaged printers, copiers and multifunction devices and significantly reduce printing costs. Such a system makes it possible to improve productivity, control and save costs, increase security by mobility and at the same time brings a significant improvement in the work efficiency.

The key of our good reputation consists in our firm professionalism, accurateness and correctness.



IMI FARMA Ltd: Leader in Pharmaceutical sector in Albania, is founded in 1994 by Mr. Irakli Mio...

IMI FARMA Ltd: Leader in Pharmaceutical sector in Albania



**The best quality of service
through transparency and
technology offered**

IMI FARMA Ltd. is founded in 1994 by Mr. Irakli Mio Albanian entrepreneur with international work experience. It makes wholesale and retail purchasing and selling, import and export of human and veterinary pharmaceutical products, medical and cosmetic equipment, human and veterinary food supplements of various usages, Local Manufacture of Pharmaceutical and Veterinary Products.

IMI FARMA Ltd. is equipped with the latest products of pharmaceutical technology, which are among the most competitive in the Albanian and Kosovo market.

INSTAT: Exchanges with China account for 6.2 % of trade volume

Albanian exports to China have seen a substantial increase over the first 7 months this year in comparison to the corresponding 7- month period of 2016. According to statistics published by Statistics Institute (INSTAT), over the period January- July 2017 exports hit the value of 4.8 million ALL, while in January – July 2016 the exports were estimated at 3.1 million ALL. While imports, according to statistics, are estimated at 26.6 million ALL with a substantial decrease in comparison to January – July 2016 with 29.3 million ALL of imports. Exchanges with China account for 6.21 % of trade volume in the first 7 months this year. INSTAT reports that in 2016 imports from China increased 8.8 % compared to 2015. Referring to the structure of goods, imports from China include machinery, equipment, spare parts, construction materials, metals as well as textiles and footwear. Exports include mainly minerals.

Source: Monitor

Budget revenues increase by 15 billion Lek in 7 months

The government revenues increased with 6.4% for the first seven months of the year, as compared to the same period of 2016. The Ministry of Finances reported that the budget has collected 248 billion ALL in total, or 15 billion ALL more than one year ago. Most of the growth came from VAT, national taxes and excise, which have given to the state budget 11 billion ALL more than last year. However, there has been a higher spending pace. According to the Ministry of Finances, budget spending for the first seven months were 30 billion ALL higher than one year ago. The growth came especially from social spending, such as pensions, social insurance and compensation of former owners, due to the new property law. Other voices are local government and public investments. But although spending has increased almost twice, the budget balance has preserved a 2.8 billion ALL surplus.

Source: Scan TV

Number of companies with foreign capital goes up in Albania S

The number of companies with foreign capital in Albania goes up. This is indicated by the recent figures that show that the number of these companies has been growing. This year, their number has seen a 5.56% increase or 1007 new registered companies, while a year ago they were only 937. In total, figures show that from January to July of this year, the number of new businesses that was registered at the National Business Center was 10645. The month with the largest number of registration during 2017 is January with 1803 new businesses.

Source ; Scan Tv

KESH authorized by World Bank for 23 million EUR electricity emergency loan

The World Bank authorized the Albanian Energy Corporate (KESH) to use the 23 million EUR loaned fund to import energy. Right after the authorization, KESH officially appealed private companies to present their bids. KESH wants to buy 126.000 MW of energy from September 1st to 30th. However, this includes just one part of the import that is needed for total consumption. According to sources, the Energy Distribution Operator needs 400.000 MW for September, the same amount they needed in August. The rest will be bought by OSHEE itself. In the past two months, July and August, Albania has imported more than 50 million EUR of electricity to cover the low domestic production, dictated by drought. The entire bill so far has been covered by the OSHEE funds themselves, Some of it in the next months will be paid by KESH. In 2014, when the government started the program for renewing the energy sector, they signed for an 150 million USD loan with the World Bank to fund the reform. Part of this was also a 23 million EUR loan to buy energy in extraordinary situations, such as drought.

Source: Top Channel

Sweden and USAID to implement 1.2 million USD project on sustainable tourism

The tourism sector in Albania has great untapped economic potential. However, many small and medium sized enterprises in the tourism industry face difficulties in obtaining affordable capital from banks. This means that they are often underfunded and therefore have limited growth potential, the Swedish Embassy said in a statement Monday. Therefore, Sweden together with USAID and the Centre for Economic and Business Education (CEBE Albania) are implementing a 1,250,000 USD project, which will establish a Tourism Investment and Finance Fund in Albania. According to the Embassy, the Fund will provide capital and technical assistance to SMEs operating in Albania's tourism sector. Efforts will be concentrated in the agro-tourism and eco-tourism communities in rural, coastal, natural and protected areas.

Source : ATA

Tax Collections Generated 12.083 million Lek

Tax revenues in the state budget collected by local government in the first seven months this year are estimated at Lek 12.083 million. Referring to statistics of Finance Ministry on fiscal indicators in the consolidated budget, local govt, budget expenditures over this 7-month period are estimated at Lek 28.727 million. Currently, the local govt, taxes which go to the state budget include the tax on property, tax on small business and local tax. Collections in property tax in the first seven months are estimated at Lek 3.345 million, small business tax at Lek 246 million and local tax at Lek 8.492 million. Revenues in local tax collections during 2017 are expected to hit Lek 15.401 million. The projection for this tax group is based on projection for nominal economic growth as well as administrative improvement in tax collection.

Spurce : Scan TV

More foreigners visited Albania this year

This year, Albania was visited by a higher number of tourists. Such fact is indicated by the latest statistics, according to which, in the month of June, the number of foreign tourists registered an increase of 11%. The number of foreign citizens that entered the country compared to June 2016 is 437.820, INSTAT explains. This institution further explains that the number of foreign visitors entering Albania for holidays and daily visits in the first official month of the tourist season was 207.972 as opposed to 182.606 a year ago, registering an increase of 13.9%. "In Albania, the number of foreign nationals who have entered the country for personal reasons in June 2017 was 430.702 and they account for 98.4% of the total number of foreign nationals who have entered the country. Compared to June 2016, the number of foreign nationals who have entered the country for personal reasons has increased by 11%, while the number of foreigners who have entered the country for business purposes accounts for 1,6% of the total number, registering an increase of 12,6% compared to the same period a year ago", INSTAT further explains. As far as the geography of the countries where they come from, Kosovo continues to be the country with most visitors entering Albania.

Source : Albanian Daily News

Albania- Kosovo Trade Exchanges See Sharp Rise

Kosovo is one of the three countries with which Albania has reported the largest increase in exports (36.9%) in July this year. And in fact, this tendency has been noted in the other months of this year. Referring to data from INSTAT, it results that during the July 2017 period, exports to Kosovo have reached about Lek 1.9 billion compared to about 1.3 billion in the same month last year. Also, in the period January to July 2017 exports have grown compared to the same period of the previous year. Between January and July 2017, Albania's exports to Kosovo reached Lek 11.8 billion compared to Lek 9.2 billion in the same period a year earlier. During July, Albania's imports from Kosovo resulted in Lek 692 million from Lek 492 million in the same month of the previous year. Meanwhile, in the January-July period, Albania has imported Lek 4.5 billion from Lek 3.1 billion in the period January-July 2016. Despite this, growth, economic exchanges between the two countries are estimated to be below their potential so authorities of respective countries.

Source : Monitor

Price increases, Albania ranks third in Europe

Albania ranks third in Europe when it comes to price increases. According to INSTAT data for the month of July, Consumption Price Index this month was 3%, registering the highest CPI in Europe after Lithuania and Estonia. The inflation dropped from the previous month of June, when the CPI was marked at 3.7%. Data on inflation also suggests that the highest increase was registered by "food and beverage" group, followed by "goods and different services" with 3.4%, "rent, water, fuel and energy" with 1.8%, "leisure and culture" with 0.9%, "alcoholic beverages and tobacco" with 0.8%, etc. Meanwhile, prices of "home furniture and maintenance" fell by 1.9%, followed by the group "clothes and shoes" with 1.7%.

Source : Monitor/web

A LA UNE CETTE SEMAINE/HIGHLIGHTS

Footwear, Textiles Drive Growth of Exports to Italy

International trade in goods between Albania and Italy increased during the first seven months of 2017. This was confirmed by the latest report published by the Albanian Institute of Statistics (INSTST). The report provides year-over-year data regarding the month of July and for January-July 2017 period. According to the data provided by INSTAT, exports toward Italy increased during the above-mentioned periods compared to 2016. Exports in goods toward Italy in July 2016 were Lek 11.784 million. Meanwhile, in July 2017 they reached Lek 13.784 million. In the meantime, this figure reflects a positive growth in exports for January-July 2016, when they reached a value of Lek 86,417 million. In other words, exports toward the neighboring country increased by 7.7 percent compared to January-July 2016. According to INSTAT, this increase was mostly affected by the export of footwear and garment products. On the other hand, even imports the import of goods from Italy increased, which caused an increase in the trade deficit. The positive performance of exports seems to have been affected by the Group of Footwear and Textile, which increased by 6.9 percent. As far as imports are concerned, they have increased too, with their value reaching Lek 17.242 million, compared with Lek 15.610 million that resulted in July last year. Source : News 24

Businesses Invited to Invest in Copper Industry

The Ministry of Energy and Industry invites domestic and foreign businesses to invest in the copper industry in Albania. In the technical document published by this ministry it is said that our country has copper reserves that can go to 17.5 million tons of mineral, extending mostly in the northern part of the country, but the reserves are also in Korce and Elbasan areas. Part of this industry is already granted with concession, with the main being the Turkish company "Ber Alb", which uses Munella and Lak Roshi mine in Puka region, enriching the mineral at Fushe Arrez Factory. The ministry's objective is to encourage the copper processing industry and on the list to be given by concession there are a number of facilities, including the former Wire Plant in Shkodra and the Copper Refinery Plant in Rubik. In order to increase interest, there are plans to have fiscal incentive schemes for investments that may be included in technological areas. Priority will be given to entities that undertake to develop a full cycle of processing, from mining to final product, electrolytic copper and wires and cable.

Source : Scan TV

A LA UNE CETTE SEMAINE/HIGHLIGHTS

Concessionary businesses make high profits

Revenues from privatization of state facilities over the years have been an important voice in the state budget. But with the privatization of strategic facilities, these revenues have decreased. Now, only a small number of objects have remained "state property" under the administration of the Ministry of Economic Development. According to official data of the Ministry of Finance, revenues from privatizations for the 7-month period amounted to Lek 354 million. Meanwhile, referring to the budget law, there is no prediction as to what the government's budget is to receive in the state budget from this item for the whole year. But the Ministry of Economic-Development has already prepared the fourth privatization package with 50 facilities, formerly state-owned enterprises already in bankruptcy. The facilities extend all over the country, but most of them belong to institutions such as the Ministry of Transport, the Elbasan District, the Ministry of Environment and the State Reserves Directorate. From the Economic Development Department, three previous lists have been drafted, each with 60 and out of 40 items already submitted to the Ministry of Finance. Meanwhile, the data from the financial reports of Albania's 11 biggest concessions show that the state proceeds from concession have increased. The companies that have obtained the concessions operate mainly in sectors such as energy, transportation, health and fiscal inspection. These companies have realized 147 million EUR of net income. From this amount, 26.3% goes as direct net profit to companies. Concessionary companies in 2016 paid a total of Lek 851 million or 6.4 million EUR of tax profit for the government budget. This is 4% of taxes that government collects from employees from their salaries. The concessionary companies pay higher taxes," 15% profit tax, but their earnings are also higher. According to the National Business Center, most of these businesses have profit ratios varying from 30% to 45% of the turnover. The airport concession tops the list, profiting 43.8% of the turnover. Then comes the Hemodialysis concession, with 40.9% profit. Third is the Passport production concession, which profits 38.5% of the turnover. The weight of concessions for the Albanian economy is much bigger than this. The list of these 11 companies doesn't include oil concessions, such as Bankers and Transatlantic, or hydropower plants and other service companies that have not filed their balances yet, as the law requires.

Source :Top Channel

Surveys show opposing economic outlooks

Some 73% of Albanians believe that economy has worsened in the last year. A report of the European Bank for Reconstruction and Development (EBRD), Life in Transition, made public recently that the Albanians not only think that the economic situation has worsened compared to four years ago, but around half of them are unhappy even with the healthcare. This was a result based on 1377 interviews held in 2016. According to them: 70% think that the political situation has worsened; 79% are unhappy about public services; 63% are unhappy with the judicial system; and 47% are unhappy with current quality of public healthcare. Meanwhile, the survey released by Gallup International on the Economic Optimism Index in 2017 it resulted that Albanians are the most optimistic ones in the region about their economy. According to this opinion poll about 40 of Albanians are convinced that this year will be a year of economic prosperity.

Source : Scan TV

OSHEE launches procedures for electricity imports in September

Albania's Energy Power Distribution Operator (OSHEE) on Wednesday announced it had launched procedures to make new electricity imports for September to make up for the loss of domestic output as the country faces one of its worst droughts in decades. The state-owned power utility said in a press statement it will take bids from the interested companies for three electricity supply options until Aug 24. Power distributor operator has imported electricity with a total value of 50 million euros over the past two months. Last week, the Albanian government increased its fund for energy imports by 3 billion leks to 4.5 billion leks, due to the prolonged drought, from 1.5 billion lek planned earlier this year. Albania relies almost entirely on hydro power plant to produce electricity and Fierza dam on the Drin River is considered the backbone of the electricity generating system as it regulates the flow of water for two other major dams, Koman and Vau i Dejes. Also, Albanian power corporation KESH has informed that it had invited bids for the import of up to 129,600 MWh of electricity in September. The preferred criteria will be the lowest price offered, according to a request for offers posted on KESH website. The contracts will be financed with the proceeds of a 22.4 million (\$26.4 million) financing for energy imports from the World Bank, the power corporation said. The financing is part of a \$150 million loan lent by the World Bank to Albania in 2014 to fund the reform in the country's energy sector.

Source : Albanian Daily News

BMI Fitch Ratings: High Economic Risks in Albania

Risks to the Albanian economy are higher in relation to the average of the countries in the region. According to BMI Research's analysis, part of the Fitch Ratings agencies, the risks to Albanian economy are comparatively high, both in the short run and in the long run. The BMI Research Risk Index is built on a scale from 0 to 100, where the lower the rating, the higher the risk. Regarding the short-term economic risk, Albania is rated at 40.8, against a regional average of 53.1. Albania leaves behind only Bosnia-Herzegovina, and Kosovo is also slightly better rated than Albania. While, for long-term risks, Albania's score is slightly higher, 48.2, but always below the 53.4 average in the region. Based on the study methodology and the analysis of other countries, the assessment takes into account the main macroeconomic and financial indicators and projections for the future. The report also contains a special assessment in terms of political risk, where Albania has a more positive assessment in relation to the regional average levels, both in the short and long term.

Source : Monitor/web

No customs clearance for indebted businesses (Scan TV)

The tax administration has ordered blocking of customs operations for the businesses that have unpaid obligations to tax offices as a way to collect forcefully the due liabilities. Thanks to this coercive measure, the authorities have managed to collect a total of unpaid liabilities of Lek 462 million. Blocking of customs actions is one of the austerity measures that taxes and customs use to collect unpaid obligations. In parallel, in 2016 Tax Administration placed 5,660 sequestrations on assets of debtors as a coercive measure to settle liabilities. Through these seizures, it has been possible to collect the liabilities for a total of Lek 1 billion, approximately 10 million dollars, while their total amount is estimated at about 90 million USD. Part of the list of the businesses that are debtors to taxes there are also 74 large businesses included in the VIP category (big taxpayers), which are already subject to blocking of bank accounts and enforced seizure of liabilities. Most of these businesses are companies from the oil and construction sector and are already involved in a bankruptcy process. But they will be subject to tax obligations until the bankruptcy court takes the liquidation decision. Some of the subjects have objected the obligations and have opened a judicial process, but this still requires payment or guarantee of payment of the obligation. Tax debt has grown rapidly in recent years due to the difficult conditions the economy has undergone. Businesses had to operate in a difficult environment where tax increases, falling demand and lack of bank credit. According to official data from taxes on the debt to the institution, at the end of 2016, it reached more than 147 billion leks (1.07 billion euros). This amount is owned by about 780 thousand businesses and individuals across the country.

Albania buys energy, 20 million EUR for September (ABC News)

The Albanian Energy Distribution Operator (OSHEE) and the Albanian Energy Corporate (KESH) are accepting bids for buying energy until this Monday. OSHEE has requested to buy 274.200 MW/h while KESH 134.000. Sources from the Distribution Operator say that the two companies are cooperating with each other. If the Energy Corporate will not be able to close the procedure, then it will be obtained by the OSHEE. The imports this September may mount up to 20 million EUR. KESH has received "green light" by the World Bank to use the 23 million EUR fund for importing energy. The allowance to use this fund is related to the difficult climatic situations, the drought that has reduced the Drin Cascade water flow. For July and August, Albania has imported more than 50 million EUR of electricity. The bill was paid by OSHEE, while KESH will also be involved for the months to come.

TAP pipeline: 47% of the pipes have been installed so far in Albania (Scan TV)

So far, around 47% of the necessary pipes for the completion of the infrastructure of Trans Adriatic Pipeline have been installed so far. The news has been confirmed by sources within the company, saying that around 360 km of pipes have been installed so far out of a total length of 765 km. Let us recall that TAP Pipeline is currently in the phase of its construction, which has started last year, in 2016. TAP footprint through Albania starts in the municipality of Devoll in the district of Korca, in the Albanian border with Greece and arrives at the Adriatic sea 17 km northwest of Fier. At the end of 2016, TAP completed the first phase of the improvement of roads and assisting bridges. The infrastructure of nearly 58 km of roads was improved, two new bridges were built and 40 existing ones were improved.

Les sources de cette semaine/The Source

ATA

SCAN TV

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