

CCIFA Weekly News

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Activité hebdomadaire de la CCIFA /Aktiviteti javor i CCIFA /CCIFA Weekly activity**



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AUTO SALLON TIRANA

AUTOMOTIVE FORUM
19 - 21 TETOR 2017

Actus pays:

Komisioni i Veprimtarisë - Ligj të ri për Dhomat e Tregtisë



Komisioni i Veprimtarive Prodhuese ka thirrur në një seancë dëgjimore grupet e interesit për Ligjin e Dhomave të Tregtisë. Kreu i këtij komisioni Eduart Shalsi u shpreh se është i nevojshëm një ligj i ri. Ndërkohë që opozita e kundërshtoi projektligjin. Grupet e interesit e kundërshtuan projektligjin në aspektin e anëtarësimit të detyrueshëm duke e cilësuar një taksë.

Shoqatat e bizneseve janë dëgjuar në komisionin e Veprimtarive Prodhuese në lidhje me ligjin e Dhomave të Tregtisë pas miratimit të dekretit të presidentit.

Kreu i Komisionit të Veprimtarive u shpreh se është e domosdoshme që të hartohet një ligj i ri ndërsa opozita e kundërshtoi një gjë të tillë.

https://www.youtube.com/watch?v=ou_uuGtLMbw

[Langues oubliées du Nobel] Jurés, osez l'albanais



Fatos Kongoli (à gauche) et Ismail Kadaré (à droite).

L'albanais compte 7 millions de locuteurs, répartis entre l'Albanie, le Kosovo, la Macédoine, la Grèce, la Serbie et d'autres pays méditerranéens. Je ne résiste pas aux sonorités des deux parlers principaux : le guègue au nord et le tosque au sud.

<http://www.rfi.fr/culture/20171003-langues-oubliees-nobel-jures-osez-albanais-litterature-albanie?ref=fb>

A LA UNE CETTE SEMAINE/HIGHLIGHTS

PM Rama holds a meeting with entrepreneurs

Albanian entrepreneurs should put the government to a test. Such fact was declared by the Prime Minister of the country, Edi Rama, during a meeting that he had with representatives of the largest businesses in the country. Rama also said that corruption is a wound that needs to be fought and that it's up to them, businesses, to put the system to the test by reporting their complaints on corruption. "The only thing that I shall repeat to you incessantly is this: I don't think it's a decent, ethical or a patriotic thing to do to take a shortcut and support those who are corrupted and those who corrupt. Instead of grabbing the phone and calling the minister of state, you choose a history without an end", Rama said. "In spite of everything else, I would like you to put us to the test and if you don't see any results, then go back to the old ways of solving your problems with the administration", he added.

Albania's GDP grows by 4.06% y/y in Q2

Albania has registered an accelerated economic growth of up to 4.06%. This figure was issued by the Institute of Statistics on the second quarter of the year. For construction sector alone, economic growth was 23% and this was due to the high number of construction permits that local authorities have issued during this period. Furthermore, INSTAT explains that the main sectors of the economy which have contributed on this growth were: industry, energy and water with 0.69%, trade, hotels, restaurants and transport with 0.52%, public administration, education and healthcare with 0.43%, financial activities and insurance with 0.27%, etc.

Switzerland is Albania's largest investor

The detailed data of the Bank of Albania on Foreign Direct Investment for the first 6 months of 2017 showed Sunday that Switzerland is the largest investor in Albania, with a total of 87 million euros (102.7 million U.S. dollars) in investments. In second place is ranked the Netherlands, with a total value of investments worth 77 million euros. According to the Bank of Albania analysis, such increase of Dutch investments in Albania is driven mainly by the investment that Statkraft, a Dutch company, is carrying out in building by concession the hydro power plant of Devoll, Korca (southeastern Albania). Official data show that the Dutch investor has so far invested about 500 million euros in this major project. Devoll HPP is considered as one of the two main strategic foreign investments in the country that has brought significant revenue to the state budget and created new jobs. The third in the list is Austria, with 44 million euros investments. The Austrians are big investors in the energy sector, through Ashta Hydropower Plant in the north of Albania. Fourth place is ranked France for the first time, with 40 million euros, of which 35 million euros in the second quarter, as a result of the works being carried out by the French companies, namely Spiecepag for the Trans Adriatic Pipeline (TAP). After these four main investors, it is ranked Greece and Italy, with respectively 29 and 22 million euros investments. The Bank of Albania also reports 90 million euros of foreign investments in the first six months, the origins of which are not given for confidentiality purposes but mainly related to works on the TAP pipeline, whose investor is a conglomerate of states. Over the years, the record of investment stocks continues to be attributed to Greece, as over the years, Greek companies have invested a capital of 1.2 billion euros, mainly investing in banks and telecommunications

IMF suggests Albania maintain reforms' momentum

After a week of meetings with senior Albanian officials here, the International Monetary Fund (IMF) mission published its report Monday recommending authorities continue reforms in key economy sectors. At the end of their visit to Tirana, the IMF mission recommended Albania maintain macroeconomic stability and deepen structural reforms to improve the investment climate, as well as catch up to European Union (EU) income levels. According to IMF, Albania's economy continues to strengthen, benefiting from rising domestic demand, large, energy-related Foreign Direct Investment, growing tourism, and a recovery in key EU trading partners. However, further efforts are needed to cement these gains, the mission said. IMF experts said the reforms momentum had slowed given the elections and extended government transition. "The growing economy and clear electoral mandate provides a unique opportunity for the new government to redouble reform efforts," the mission said in a statement. According to the statement, the economic recovery is supported by rising consumer confidence. "GDP growth is projected to increase to 3.9 percent in 2017, driven by rapid expansion of tourism and construction sectors, offsetting the negative impact of drought on electricity production," the statement noted. However, the IMF mission said that despite the recovery, fiscal consolidation was expected to slow down in 2017. IMF told the Albanian government its 1 billion-euro public investment plan posed "substantial risks": "Policies should seek to address challenges arising from high public debt, low credit, and weak institutions that deter investment," the IMF staffers said in a statement at the end of a 10-day visit to Albania. The IMF loaned Albania 330 million euros to help it straighten out its finances, in a programme that ran from February 2014 until February 2017. "Under the recently concluded Fund-supported programme, the authorities lowered fiscal and financial vulnerabilities, but further efforts are needed to cement these gains," it said. The Socialist government of Prime Minister Edi Rama plans to spend about a billion euros on infrastructure projects over the next four years. The IMF staff said the government should use the Finance Ministry's expanded legal powers to monitor public-private partnerships. "The authorities' ambitious agenda for public investment through PPPs poses substantial fiscal risks. Contrary to current practice, the impact of PPPs on the fiscal accounts and public debt should be reflected transparently and in line with international norms," the IMF staff statement added. The IMF worries the government will incur growing debt, as its predecessor did, forcing the Socialists to begin their first term by covering arrears of up to \$720 million.

World Bank: Albanian students have a poor performance at reading and math

Albanian students have weaknesses at reading and math. This is confirmed in a recent report issued by the World Bank, "Read to educate yourself". According to this report, although the level of education in Albania has grown, especially for higher education, the quality of education in general has remained low, leading to a reduction in the number of benefits coming from education and the reduction of the qualities of human capital. The report further explains that half of students could not achieve the minimum score in the PISA test in terms of reading and math. "Education heals a number of social wounds. For individuals, it promotes employment, incomes, health and reduction of poverty. For society, it promotes innovation, strengthens institutions and encourages social cohesion. But these benefits depend on learning. Education without learning is a wasted chance", are some of the other concepts mentioned in this study.

FDIs Mainly Focused on Energy and Mining Industry

Foreign direct investments show a positive trend despite their dominance in certain industrial sectors, according to Bank of Albania's report on Monday. Foreign direct investments dominate the energy and mining industry sectors in Albania during the first half of 2017, BoA reports. The energy sector was estimated to 39% of the total of foreign investments in the first half of 2017 while investments in the extractive industry amounted to 106 million euro or 28% of the total FDI. Investment growth is owed to the improvement of raw material prices and closing down of the sale transaction in the most important company Bankers Petroleum. The financial system remains important in the inflow of foreign investments thus estimated to 13% of the total investments during the first half of this year. While foreign investments amounted to 46 million euro, thanks to capital injections by foreign owned banks operating in the country.

FSA: Property Insurance Isn't Mandatory Yet

The Financial Supervision Authority (FSA) announced Monday that the draft law "On disaster insurance" will be discussed with the groups of interest and the focus will be on protecting the interests of citizens. At present, the law "On Insurance and Reinsurance Activity" allows the citizens to access voluntary disaster insurance coverage. In a press release, Financial Supervision Authority pointed out that the technical draft on disaster insurance coverage has been designed by World Bank and submitted to the Authority in October 2015. The material is part of a World Bank initiative, which also includes other countries in the region recently affected by natural disasters, flooding in particular. The technical material presented by WB experts has been referred to other state agencies dealing with disaster management. FSA stressed that any legal initiative proposed by Authority will be launched in full transparency involving all the groups of interest and with main emphasis on protection of citizens' interests.

TAP: 800 million euros worth of investments in Albania in 2017-2018

800 million euros will be invested in Albania during the period 2017-2018 by the consortium which is building the Trans-Adriatic Pipeline (TAP). Such fact was announced by the manager of this project for Albania, Shkelqim Bozgo, according to whom, around 1.5 billion USD are expected to be invested on Albanian soil through this project. Let us recall that this pipeline is part of the Southern Gas Corridor, which will carry gas from the gas rich fields of Shah Deniz in Azerbaijan, through Greece and Albania, and then to Italy. Even the European Union has put this project in the list of strategic priorities and has constantly called for the project to be concluded within deadlines, in 2020.

A LA UNE CETTE SEMAINE/HIGHLIGHTS

Women in Albania run 31 pct of country's SMEs

About 31 percent of Albania's small and medium-sized enterprises (SMEs) are managed by women, Albanian minister for protection of entrepreneurship Sonila Qato said at a fair here Tuesday. During the event, organized by the Dutch embassy in Tirana, Qato said there were many skilled women in Albania who were working in business as entrepreneurs and administrators. Qato said the Albanian government was working on support programs that would help these women acquire knowledge about the business world as well as programs that connected them with successful businesswomen in other countries. "The absence of information remains the main obstacle to women's role in promotion of sustainable development and economic growth," Qato said, adding that the goal was to involve as many as possible women in business. According to her, the encouragement of women in economic difficulty toward free entrepreneurship through lifting barriers was a benefit to society.

Bank of Albania supports IMF idea for concessions

After the International Monetary Fund, the Bank of Albania as well asked for concessions to be treated based on international norms, being registered as a debt with debt obligations. The Bank of Albania remains to the opinion that these projects should be presented with transparency and within international standards. "We are open to see the progress of these projects. It is a big project foreseen for the next four years. Normally, it needs to be elaborated with details in budgets of each year", Governor Sejko declared. Same as the IMF, the Bank of Albania is not against concessions. Governor Gent Sejko said that if chosen carefully, they could encourage the economy and revenues. "The application of concessions, when studied well, with profitable projects and well-defined priorities, would certainly influence the country's economic growth and accelerate the EU integration", Sejko said.

Main concessionary investments of the 1 billion USD Project

The reason why the IMF is concerned and wants to register concessions as debt is related to the reconstruction program that Prime Minister Edi Rama announced early this year. The government had declared early that they plan to invest 1 billion EUR, but officially there is no exact figure. The biggest project that will be built through concession is the Arber Road, which will cost 250 million EUR and expected to start soon. The second biggest investment is the Tirana-Thumana-Vora road, which will cost 170 million EUR and will be built through a similar scheme, public-private partnership. Part of the investment package warned by PM Rama is also the completion of Tirana's Bigger Ring Road and the building of an overpass at the Kavaja Street, which will cost around 120 million EUR. The coastline takes an important part of the package. The main segments that will be built are Kardhiq-Saranda and Orikum-Himara. Investments will not affect only roads. Dozens of projects in tourist areas will be funded in the next three years, more than 50 schools are going to be built, and several hospitals and healthcare centers.

A LA UNE CETTE SEMAINE/HIGHLIGHTS

EIB: 10% of Economy Output Used in Investments

Around 10% of the output of Albanian economy since 2008 has been used in nominal investment, the European Investment Bank (EIB) said in its latest report "Wind of Change: Investment in Central, Eastern and South Eastern Report. The report analyzes 17 countries, including Albania. The report also notes that "interestingly Albania, where private car ownership was illegal until 1990, is the leader in motorway density in the Western Balkans." EIB notes within the non-EU group, only Albania has managed to invest more than a quarter of its GDP for longer periods. The report also noted that Albania has a significant comparative advantage in the realm of renewable energy with a prospect of becoming a regional player in the renewable energy market.

World Bank: Remittances in Albania to increase by 1.8% this year

The World Bank sees remittance flows to Albania hitting 1,07 billion USD at the end of 2017 up from 1,05 billion USD in 2016. Worldwide, "remittances to low- and middle-income countries are on course to recover in 2017 after two consecutive years of decline," the World Bank said in a statement. Data shows that remittance flows in the first semester 2017 witnessed a slight increase. Statistics published by Central Bank show that remittance flows during January- June 2017 reached to 298 million euros up by 3 percent compared to the same period in 2016. Worldwide, "remittances to low- and middle-income countries are on course to recover in 2017 after two consecutive years of decline," the World Bank said in a statement. "Officially recorded remittances to developing countries are expected to grow by 4.8 percent to \$450 billion for 2017. Global remittances, which include flows to high-income countries, are projected to grow by 3.9 percent to \$596 billion," the World Bank added. According to the World Bank, "the recovery in remittance flows is driven by relatively stronger growth in the European Union, Russian Federation, and the United States."

Albania's older population is growing, births in decline

Albania's older population is increasing rapidly whereas the number of births is in decline. Data shows that since 2000, the number of people over 80 years old has nearly doubled. In the 2000s, Albania had 38,500 people over 80 years old whereas now the number has reached to 69,190 people. Data shows that one third of the population over 65 years old suffer from one or more illnesses. During January-August 2017, imports of pharmaceutical products registered an annual hike of 14%. The ageing of the population has an impact in reducing productivity and increasing demand for specialized services. At the beginning of 2017, the number of pensioners in the country was 611,544 people or 24% of the country's population. In 2000, World Bank reported that an Albanian citizen lived an average of 74 years and two months, whereas now life expectancy has reached to 78 years and nine months.

Global Economic Forum: Albania's railroads rank last in the world

The quality of railroads in Albania is the worst one in the world. This is confirmed by the Global Economic Forum, according to which, our country ranks last in the world in the Global Competition Index on the quality of railroads. According to this forum, Albania is listed 101st in the world as far as the quality of railroads is concerned, saying that there are no functional rail lines and that the network is dominated by the investments carried out during the communist regime. The railroad network in Albania was built during the period from 1946 until 1986, mainly to assist the country's industry. Its total length is 420 km. Meanwhile, the only railway that the Albanian government has promised that it will reconstruct is the one linking Tirana to Durres, but this project is still on paper

Ahmetaj: "Concessions don't put our finances in danger"

The Minister of Finances, Arben Ahmetaj, said there are many countries in the EU that don't register concessions as debt, as the IMF demanded. "There are some international standards that have been accepted. Certainly, we are following the best practices for presenting balances in the state budget", Ahmetaj declared. According to him, Albania has an even harsher law structure than these countries, which doesn't allow concessions put state finances at risk. "The guarantee that we have, is that concessions are under complete control of the risk. It is the legal limit that we have included in the budget organic law. Every concessions should be paid within the 5% of tax revenues of the past year. So, there is a limit. You cannot advance more than this with concessions", Ahmetaj declared. For the Finances Minister, the main message of the IMF for the Albanian economy was not their concern for concessions, but something else: "The economic growth went above 4%, affected the pre-crisis levels. The Albanian economy has started a growing trend. It grows faster than other countries in the region, and this government does not create a new debt. It is saving money and paying debts paid by previous governments, creating burdens on our citizens", Ahmetaj declared. According to him, the growth will keep increasing at 5.5% during the next three years, supported by deregulation reforms and huge public and private investments.

FinMin: 373 Subjects Changed Liability

Since three days, the Ministry of Finances has started the third phase of the fight against informality in the Albanian economy. The fiscal administration working groups are conducting inspections in different businesses. The ministry provided Wednesday the results of the first days of the operation noting that so far, 717 subjects were controlled from the office. According to ministry, 373 resulted to have changed liability. Meanwhile, the inspectors have already visited 1,394 subjects in the terrain. Also, ministry said that the directorates of taxpayers' service have held an intensive communication with the enterprise in case the latter needed consultancy, assistance and more information. Around 6,500 taxpayers were contacted to make self-corrections. Some 3,519 taxpayers were assisted in the offices of the taxpayers' service.

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