

Introduction

Albania is a country located in Southeastern Europe in the Balkan Peninsula with an Adriatic and Ionian coastline. Neighboring countries include Greece, Macedonia, Montenegro, and Kosovo. Albania has a strategic location along the Strait of Otranto linking to the Mediterranean Sea. The government system is a republic; the chief of state is the president, and the head of government is the prime minister. Albania, having transitioned from a centrally-planned state in the 1990s, is an open-market economy in which the prices of goods and services are determined in a free price system. Albania is a member of the Central European Free Trade Agreement (CEFTA).



Location: Southern Europe

Capital City: Tirana (+1 GMT)

Chief of State: President Ilir Meta

Head of Govt.: Prime Minister Edi Rama

Currency: Lek (ALL)

Major Languages: <p>Albanian 98.8% (official - derived from Tosk dialect), Greek 0.5%, other 0.6% (including Macedonian, Roma, Vlach, Turkish, Italian, and Serbo-Croatian), unspecified 0.1% (2011 est.)</p>

Primary Religions: <p>Muslim 56.7%, Roman Catholic 10%, Orthodox 6.8%, atheist 2.5%, Bektashi (a Sufi order) 2.1%, other 5.7%, unspecified 16.2%</p>

Calling Code: 355

Voltage: 220

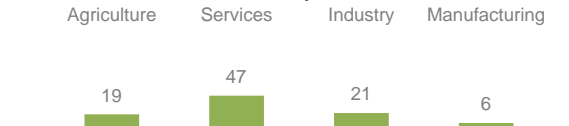
Key Websites

Main Government Page: kryeministria.al

Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	In Transition
GDP, PPP (current international \$):	\$34.54 billion (2017)
GDP growth (annual %):	3.84% (2017)
GDP per capita, PPP (current international \$):	\$12,020.69 (2017)
External debt stocks, total (DOD, current US\$):	\$9,114,636,796.80 (2017)
Manufacturing, value added (% of GDP):	5.94% (2017)
Current account balance (BoP, current US\$):	-\$0.91 billion (2017)
Inflation, consumer prices (annual %):	1.99% (2017)
Labor force, total:	1,330,861 (2017)
Unemployment, total (% of total labor force) (modeled ILO estimate):	13.87% (2017)
Imports of goods and services (current US\$):	\$6.07 billion (2017)
Exports of goods and services (current US\$):	\$4.11 billion (2017)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	91 / 178
Global Competitiveness Index	76 / 139
Global Enabling Trade Index	60 / 136
Index of Economic Freedom	52 / 179
International Logistics Performance Index (LPI)	88 / 160
Inward FDI Potential Index	85 / 139
KOF Index of Globalization	76 / 185
Networked Readiness Index (NRI)	84 / 139
Open Budget Index	45 / 115

Risk Assessment (Provided by Coface)

Country rating: C - A very uncertain political and economic outlook and a business environment with many troublesome weaknesses can have a significant impact on corporate payment behavior. Corporate default probability is high.

Business Climate rating: C - The business environment is difficult. Corporate financial information is often unavailable and when available often unreliable. Debt collection is unpredictable. The institutional framework has many troublesome weaknesses. Intercompany transactions run major risks in the difficult environments rated C.

Strengths

- Candidate for membership of the European Union
- Youthful profile of the population
- Mineral (oil, chromium, copper, iron-nickel, silicates, coal) and hydroelectric potential
- Low energy deficit
- Coastline with several ports
- Strength of the currency, the lek, against the euro

Weaknesses

- Size of grey economy (30 to 40%)
- Poverty (per capita GDP = 30% of the European average), low priority is given to education (3% of GDP)
- Dependence on rainfall: agriculture (23% of GDP and 45% of jobs) and hydroelectricity (95% of electricity production)
- Weak public investment and lack of infrastructure
- Ineffective and politicized court system and administration
- Corruption and organized crime

U.S. Embassy

U.S. Embassy Tirana
 Rruga e Elbasanit No. 103, Tirana, ALBANIA
 US Department of State, 9510 Tirana Place, Dulles, VA 20189-9510
 Tel: +(355) 4 2247 285

<https://al.usembassy.gov>