



B a n k o f A l b a n i a

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BALANCE OF PAYMENTS  
BULLETIN

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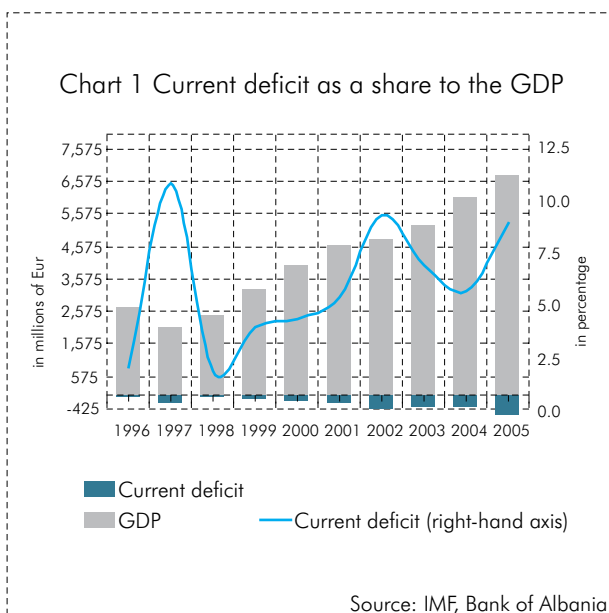
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## 1. OVERALL DEVELOPMENTS IN THE BALANCE OF PAYMENTS OVER 2005

The external sector of economy over 2005 presented with a deep negative balance on current account, caused by a high trade deficit. However, capital inflows have by and large resulted sufficient in compensating the current deficit, allowing an overall positive balance of the external sector developments in the Albanian economy.



The relative current account indicator to the GDP accounted for 8.7 per cent in 2005 from 5.6 per cent estimated in 2004.

Trade deficit (goods and services) is estimated to have accounted for 24 per cent of the GDP, increasing by 4 percentage points compared to the previous year. Trade deficit deepening in goods has been a consequence of the slowdown in the growth of exports, as well as of the considerable growth of imports. The slowdown in exports is also believed to be a consequence of the enhancement of competition in textiles with the opening of the European markets towards China and India. Textiles and footwear account for about 64 per cent of total exports for 2000-2005. Their contribution to total exports fell to 58 per cent over 2005 from 61 per cent in 2004. At the same time, the high oil prices

in the international markets and the growth of lending activity (new credit to economy marked an annual growth of about 74 per cent) led to the growth of imports by about 16 per cent.

As a result of the more rapid growth of imports compared to exports, imports coverage by exports fell to 26 per cent from 28 per cent over the last year.

The increase in the volume of goods and services transactions over 2005 has led to the improvement of Albania's economic indicator openness<sup>1</sup>, which is estimated at about 68 per cent compared to 64 per cent in 2004.

	2004	2005	2004	2005
	In million EUR		In % to GDP	
Current account	(340.2)	(594.3)	(5.6)	(8.7)
Trade balance	(1,276.7)	(1,476.7)	(20.9)	(21.8)
Export	485.6	530.2	7.9	7.8
Import	(1,762.3)	(2,006.9)	(28.7)	(29.6)
Services (net)	(40.5)	(140.4)	(0.7)	(2.1)
Income (net)	137.9	125.9	2.3	1.9
Current transfers (net)	839.1	896.9	13.7	13.2
Capital account (net)	413.3	424.0	6.8	6.3
Overall balance	233.7	124.8	3.8	1.8

Source: Bank of Albania

Table 1 Balance of payments main indicators as a share to GDP

Over the years, the high trade deficits have been financed not only by capital inflows, but also within the current account itself, through the workers' remittances, which reduce the risk of financing through borrowing considerably (see Annex 1). The current transfers' inflow amounted to about EUR 1 billion, out of which 84 per cent are considered to be a contribution of workers' remittances, which amounted to EUR 802 million or about 11.6 per cent of the GDP.

Net capital inflows recorded a level of EUR 424 million, causing the financing of the current deficit to reach to 71.3 per cent. This import of capital was also reflected in the increase of the monetary authority foreign reserve by about EUR 125 million, which by the end of 2005 amounted to EUR 1.204 billion, fully sufficient to cover about 4.7 months of the import of goods and services.

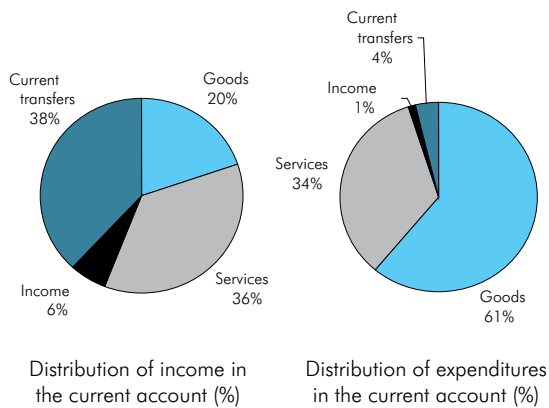
## 1.1 CURRENT ACCOUNT

The volume of current transactions increased by 17.7 per cent compared to 2004, amounting to EUR 5.9 billion. More than 95 per cent of current expenditures were intended to purchase goods and services outside Albania's economy. Current transfers have supplied around 38 per cent of current income, while services and goods export provided 36 per cent and 19.7 per cent, respectively.

Current deficit increased by 75 per cent, compared to the previous year, amounting to about EUR 594 million. The negative balance has constituted a permanent feature of external trade developments, leading to high levels of current account deficit. The relative imports indicator accounts for about 30 per cent of the GDP. About 58 per cent of total imports over 2005 was shared by capital goods and intermediate goods imports, while consumer goods domestic demand remains in high levels. The increase of trade deficit in goods and services was partly balanced by the increase of current transfers and of net factorial income.

Although private investment in the productive capital is associated with the development of productive capacities for exports, the low level of exports

Chart 2 Distribution of income and expenditures in the current account



Source: Bank of Albania

remains a distinct feature of economy, caused by the time lags and the deficient domestic demand. Over 2005, they constituted about 7.8 per cent of the GDP, causing the financing of the imports' volume to amount to about 26 per cent.

Services account marked an increase over 2005 both in terms of exports and imports. Compared to 2004, services imports increased more rapidly than the exports of this category, causing this account deficit to grow by about EUR 100 million. Meanwhile, the positive balance of transfers and current income is assessed to be equivalent to the levels of the previous year.

### 1.1.1 FOREIGN TRADE IN GOODS

Trade exchanges in goods continue to share a considerable part in the total current transactions of our country with the rest of the world. By the end of 2005, they shared 41 per cent of total current transactions and amounted to EUR 2.5 billion. The annual growth of EUR 290 million or 14 per cent is estimated to be lower than that of the previous year.

Table 2 Trade of goods

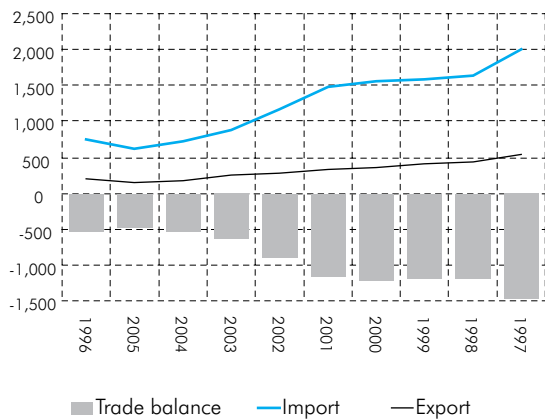
	Unit	2003	2004	2005
Exports	mln euro	395.24	485.58	530.19
Imports	mln euro	,638.08	1,830.51	2,083.85
Trade balance	mln euro	-1,242.84	-1,344.93	-1,553.66
Trade volume	mln euro	2,033.32	2,316.09	2,614.04
Exports growth (compared to the previous year)	%	13.4	22.9	9.2
Imports growth (compared to the previous year)	%	4.4	11.7	13.8
Exports/GDP	%	7.6	8.0	7.9
Imports/GDP	%	31.5	30.0	30.9
Trade balance/GDP	%	-23.9	-22.1	-23.0
Coverage level of imports by exports	%	24.1	26.5	25.4
Scale of economic openness	%	39.1	38.0	38.7

Source: Bank of Albania

For more than a decade, the Albanian economy has created its own profile, characterized by high levels of goods import. This fact is underpinned by the high volume of imports over 2005, which accounted for 80 per cent of total foreign trade volume. The import of goods continued to follow the upward trend amounting to EUR 2.1 billion, and with a nominal growth of EUR 253 million or 14 per cent compared to the previous year. The export of goods realized EUR 530 million of income, which is 9 per cent more than that of the previous year. Low levels of the contribution of exports to the GDP were also recorded over 2005, accounting for 7.9 per cent.

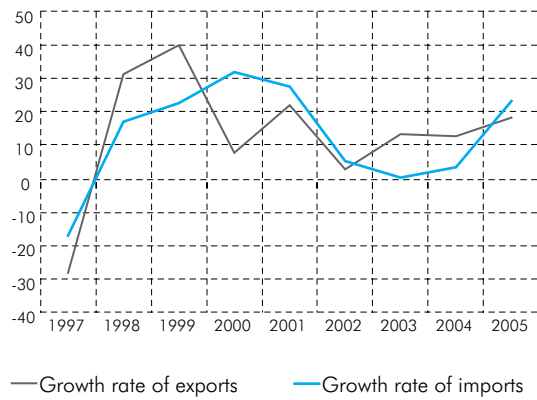


Chart 3 Trade balance (in millions of EUR)



Source: Bank of Albania

Chart 4 Growth rates of imports and exports



Source: Bank of Albania

Trade deficit continued to deepen, both in absolute terms and as a share to the GDP, owing to the slowdown in exports and the ongoing expansion of imports.

- Export of goods

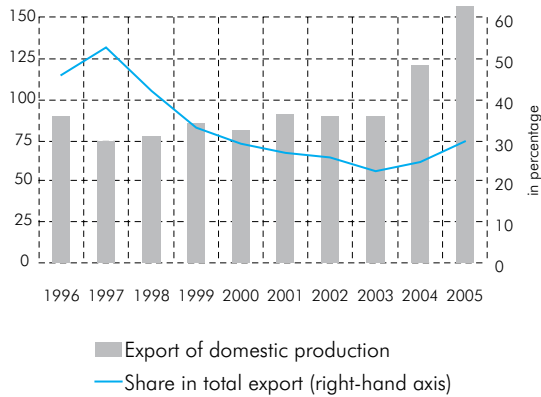
In terms of exports competitiveness, the Albanian businesses withstand real-world challenges, aiming to promote their products in the region and beyond.

The largest exporting share is composed of textiles, footwear and base metals. Over 2005, the growth rates of the first two items were low, causing their share to total exports to fall. Textiles export is estimated to share about 30 per cent of total exports, against the 5-year average share of 36 per cent.<sup>2</sup> Moderate fluctuation was also recorded in the share of footwear, to 27 per cent from 28 in the previous year. The most dynamic changes over 2005, in terms of share, were recorded by the export of mineral products and base metals, with an annual growth of 47 per cent and 17 per cent, respectively.

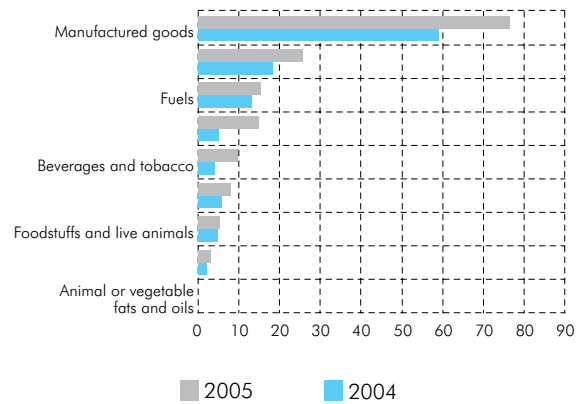
Table 3 Export according to SITC classification

Code	Description	2003	2004	2005	2003	2004	2005	2005/2004
				Amount in millions of EUR	Share in %			Change in %
0	Foodstuffs and live animals	16.6	19.9	20.4	4.2	4.1	3.9	2.8
1	Beverages and tobacco	5.1	7.6	9.6	1.3	1.6	1.8	26.9
2	Raw materials	17.0	18.5	25.6	4.3	3.8	4.8	38.6
3	Fuels	4.4	13.2	15.4	1.1	2.7	2.9	16.5
4	Animal or vegetable fats and oils	0.4	0.3	0.2	0.1	0.1	0.0	(13.6)
5	Chemical products	2.6	2.8	4.8	0.6	0.6	0.9	67.7
6	Manufactured goods	68.4	97.3	114.3	17.3	20.0	21.6	17.5
7	Machinery and equipment	14.0	19.1	22.1	3.6	3.9	4.2	16.0
8	Other manufactured goods	266.9	307.0	317.7	67.5	63.2	59.9	3.5
9	Miscellaneous	-	-	-	-	-	-	-
	TOTAL	395.2	485.6	530.2	100.0	100.0	100.0	9.2

Source: Bank of Albania

Chart 5 Export of domestic production  
(in millions of EUR)


Source: Bank of Albania

 Chart 6 Export of domestic production by  
commodity groups (in millions of EUR)


Source: Bank of Albania

The developments in the exports of domestic demand were positive, increasing its share to total exports considerably to 30 per cent from 21 per cent recorded in 2004, displaying real opportunities for further expansion. The overwhelming part of the export of domestic production is shared by base metals and minerals, more concretely, by cast-iron and steel. The development of Albanian originated agricultural products is also promising, despite the difficulties related to the accomplishment of the European standards.

- Import of goods

Imports of goods over 2005 were characterized by high volumes of goods and a more proportional distribution of imports by commodity groups compared to exports. Their growth rates exceeded the exports', which results to be an uncommon feature encountered over the recent years. Imports' dynamic displayed diversely for different commodity groups. The meeting of domestic demand for agricultural products from domestic production caused the import of these goods to experience a moderate growth of 3.3 per cent, while the development of domestic industry has caused the need for these goods to grow.

Table 4 Import according to SITC classification

Code	Description	2003	2004	2005	2003	2004	2005	2005/2004
		Amount in millions of EUR			Share in %			Change in %
0	Foodstuffs and live animals	236.61	266.08	272.33	14.4	14.5	13.1	2.3
1	Beverages and tobacco	60.58	61.51	64.71	3.7	3.4	3.1	5.2
2	Raw materials	56.11	58.82	75.91	3.4	3.2	3.6	29.1
3	Fuels	141.21	141.10	181.77	8.6	7.7	8.7	28.8
4	Animal or vegetable fats and oils	25.64	26.52	28.50	1.6	1.4	1.4	7.5
5	Chemical products	140.71	166.62	201.75	8.6	9.1	9.7	21.1
6	Manufactured goods	388.09	427.48	509.85	23.7	23.4	24.5	19.3
7	Machinery and equipment	356.04	431.49	488.97	21.7	23.6	23.5	13.3
8	Other manufactured goods	233.08	250.90	260.07	14.2	13.7	12.5	3.7
9	Miscellaneous	-	-	-	-	-	-	-
	TOTAL	1,638.08	1,830.51	2,083.85	100.0	100.0	100.0	13.8

Source: Bank of Albania

As in many other countries worldwide<sup>3</sup>, our country experienced a positive trend as far as the import of pharmaceutical products are concerned, growing by 28 per cent.

The ever-rising price of oil and its sub-products caused the expenditures for fuels to rise by 28 per cent. Raw materials and minerals experienced the same.

Private sector demand for capital goods remains high, although worth emphasizing is the fact that the growth rates have not been similar to those characterizing the recent years. Over 2005, they grew by 16.5 per cent compared to 39 per cent over 2004 (see annex 5, table of the classification of imports according to BEC).

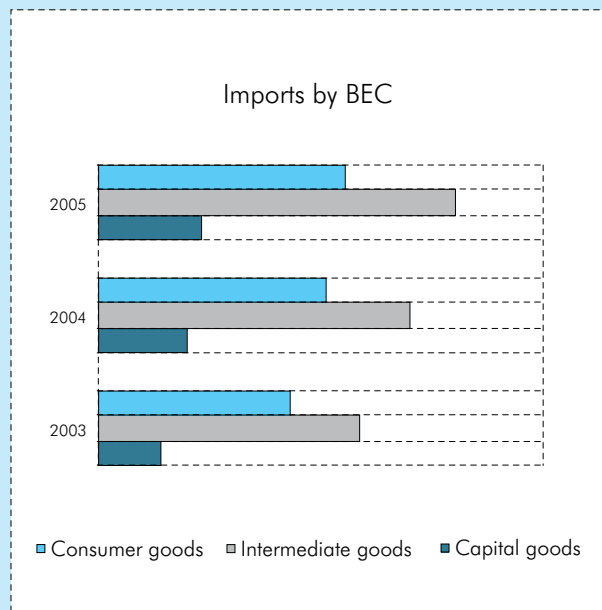
The energy sector crisis over 2005 is also to be underlined, which besides other factors, had its impact over the growth of imports.

#### Box 1: Compilation and analysis of imports by BEC

The classification of foreign trade by economic categories (BEC) provides to the users and analysers of such statistics the categorization of trade according to the goods' main end use. The goods are divided into capital, intermediate and consumer goods, which represent the three main categories of the System of National Accounts. BEC codes can be grouped into primary goods and processed goods.

Since 2003, the data on foreign trade are also classified by the economic categories (BEC), allowing the study of such statistics to be in harmony with other components of general statistics.

Intermediate goods import continued to dominate over 2005, accounting for 45 per cent of total imports; however, they had a more moderate growth (by 16 per cent), compared to the previous year (20 per cent). The most significant impact on this category is provided by equipment and manufactured goods, which recorded a growth of 21 per cent over 2005.

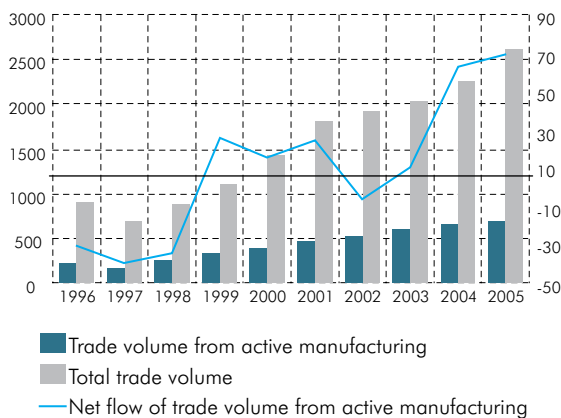


	2003	2004	2005	2005/2004
	Share in %			Change in %
Capital goods	11.3%	12.8%	13.1%	16.5%
Intermediate goods	46.6%	45.2%	45.5%	14.6%
Consumer goods	34.0%	32.9%	31.3%	8.5%
Other	8.2%	9.1%	10.1%	25.4%

Our country continues to remain a large volume importer of consumer goods, although its representation in foreign trade is falling significantly in favour of capital goods, serving as such as an indicator for new investments in both production and construction activities of the Albanian economy.

“Other” item has also increased considerably due to the increasing import of fuels and lubricants. As a result of the ever-rising prices of these goods, this increase in value is amplified and it does not express real growth in volumes.

Chart 7 Contribution of trade from active manufacturing to total trade volume (imports+exports in millions of USD)



Source: Bank of Albania

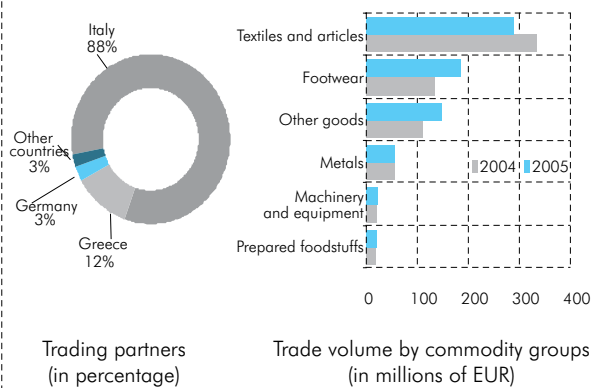
### Trade from active manufacturing industry

Manufacturing industry (with orderer’s material) in our country continues to hold its dominant position in Albania’s trade activity.

Although this activity has been characterized by a continuous growth over the recent years, year 2005 displays a different performance. The situation in Albania seems to have been significantly influenced by the international developments. The predominance of Chinese competition in the global markets brought about the contraction of this industry in our country.

Amounting to EUR 677 million, trade from domestic active manufacturing industry accounted for about 26 per cent of the trade transactions carried out over this year, which is lower than the level recorded the previous year (29 per cent).

Chart 8 Structure of trade activity from active manufacturing



Source: Bank of Albania

Trade surplus, an indicator of this industry’s productivity, experienced lower levels over 2005, resulting from the decrease of re-exports by 3.5 per cent. Re-exports shared 70 per cent of total exports, while 15 per cent of imports was represented by the raw material to be further processed.

This industry’s activity is mainly represented by companies having capital participation from trade partner countries (Italy and Greece), which are specialized in the manufacturing of textiles, footwear and metals.

**Box 3. China's influence on foreign trade**

Upon the signing of the agreement on textile industry in January 2005, WTO member countries were allowed to export quote-free to the European and North American markets. Under these favourable conditions, the Republic of China benefited overwhelmingly thanks to its competitive advantages. The strong competition of Chinese goods caused a confusion and perplexity in the European market. EU's reaction was immediate and in June 2005, the textile quota was reset. Such an action helped in appeasing the consequences caused by a sudden growth in the Chinese exports.

The consequences of such a phenomenon also affected the Balkan countries, which experienced a decrease in the exports of these categories. Albania, too, experienced shifts in the domestic manufacturing industry. More concretely, textile and footwear exports, which accounted for 61 per cent of our exports over 2004, decreased their share to 57 per cent to the total. However, these effects are expected to grow bigger in the medium-term, since this industry operates with orderer's material of one year in advance.

As far as imports are concerned, China exceeded Germany and ranked fourth among our country's trading partners.

Albania, just like other neighbouring countries, stands almost in the same position as far as the competitive advantages, such as low-cost labour, closeness to the EU, the quick delivery of orders, the carrying out of small orders, are concerned. Yet, other factors, such as high tax, low specialization, high level of corruption according to the international references, which effect an unfavourable business environment in Albania, are to its disadvantage.

- Trade by trading partners

Considered from the geographic viewpoint, 66 per cent of Albania's trade transactions are carried out with the European Union. The greatest influence is in exports, 88 per cent of which were carried out with these countries, further testifying the low level of diversification by trading partners.

The income from the export of Albanian products towards these markets grew by EUR 30 million, or by 7 per cent compared to the previous year. The Albanian export with EU countries is almost entirely concentrated on the industry with the orderer's material. Over 2005, the development of these markets was overwhelmingly influenced by the performance of this industry beyond the European continent, which has brought its effects in the trade relation between Albania and the European Community, resulting in low growing rates, both in exports and imports.

Export	Share in exports			Annual change %
	2003	2004	2005	
Total	100	100	100	9.2
EU-15 countries	93.3	89.9	88.0	6.9
Italy	74.9	73.0	72.4	8.3
Greece	12.8	12.0	10.5	-5.1

Table 5 Distribution of exports by trading partners over years

Germany	3.4	3.1	3.3	17.2
South Eastern Europe countries	4.0	8.5	9.2	19
Former Yugoslavia	0.6	0.4	0.8	143
Macedonia	0.7	1.2	1.6	38
Kosovo	1.7	4.5	4.1	-1
Other countries	2.7	1.6	2.7	86

Source: Bank of Albania

In the context of regional liberalization, exports with regional countries, part of the free trade zone agreement, (SEE-7), grew by 19 per cent compared to the previous year, enlarging the representation levels of these countries from 8.5 to 9.2 per cent. Kosovo and Macedonia represent the largest market as far as the Albanian products' export is concerned.

Remarkable is the fact that Turkey has displayed its interest in the Albanian products over the last two years. Trade with Turkey recorded EUR 9 million, ranking fifth in the list of partner countries.

Table 6 Distribution of imports by trading partners over years

Import	Share in imports			Annual change
	2003	2004	2005	%
Total	100	100	100	13.8
EU-15 countries	78.2	65.0	60.4	5.7
Italy	38.1	32.6	29.3	2.4
Greece	24.2	18.6	16.6	1.5
Germany	6.3	6.2	5.4	-0.9
South East European countries	14.7	12.8	14.8	31.5
Bulgaria	2.9	2.0	2.8	60.2
Bosnia-Herzegovina	0.1	0.0	0.1	195.6
Croatia	1.7	1.3	1.2	5.0
Serbia – Montenegro	0.5	0.6	0.6	23.3
Macedonia	1.0	1.0	1.2	35.0
Romania	0.9	0.4	0.7	92.3
Turkey	7.5	7.1	7.5	19.4
Russia	2.8	2.8	4.1	63.7
Ukraine	2.5	2.5	2.9	31.6
Other countries	7	22	25	27.5

Source: Bank of Albania

Unlike exports, imports' geography is presented more diversified. The low rates, which have characterized the demand for imports from the EU, have reflected a reduction of share to 60 per cent, from 65 per cent in 2004. Meanwhile, imports from the regional partners have had a reverse development, growing considerably by 32 per cent.

Imports' dynamics has brought a quick deepening of trade deficit with countries, such as China, Turkey, Russia and Ukraine.

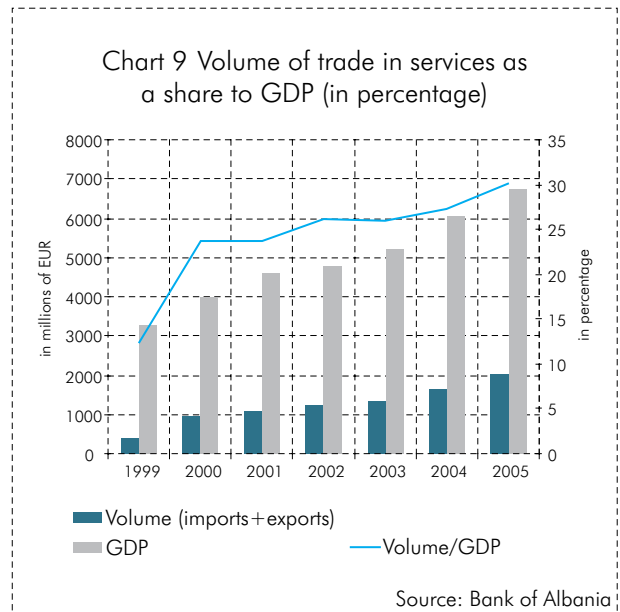
### 1.1.2 SERVICES

Trade in services amounted to EUR 2 billion from 1.6 billion in 2004, sharing 1/3 of total current transactions. These transactions are estimated to

have accounted for 30 per cent of the GDP in 2005, from the level of 27 per cent in 2004, underlining the positive tendency of this indicator as a share to the GDP over the years.

Year 2005 ended with a high deficit on services account amounting to EUR 140 million against the EUR 40 million deficit in 2004. Its deepening was a consequence of the high deficits in transportation, cultural, business and other services.

This fact indicates the increase of the Albanian economy demand for services, which recorded an annual growth of 30 per cent. On the other hand, services export grew by 19.7 per cent compared to 2004, where the export of tourism and transportation services continues to share the main part.



- Transportation and insurance services

Transportation services have followed the developments in the trade balance. The export of transportation services grew faster than the import over 2005, by 30 per cent and 12 per cent, respectively, compared to the previous year. This development is a consequence of the growth in the volume of trade.

	2001	2002	2003	2004	2005
Import of goods	27.1	6.2	0.4	11.3	13.9
Transportation services (import)	17.0	13.3	2.4	18.1	12.2

Source: Bank of Albania

Table 7 Annual change of the import of goods and transportation services (in %)

Insurance services have resulted in a negative balance of EUR 20 million, compared to EUR 16 million in 2004. The exports of this category of services have dropped by 12 per cent compared to the previous year. This drop is mainly related to the decrease in the insurance premium tariffs at the beginning of year 2005. Meanwhile, insurance services imports were assessed to have had an annual growth of 18 per cent, influenced by growth in the volume of trade. Albanian insurance market is assessed to be a developing market. Over 2005, the new insurance companies have established relationships with their international partners, in order to pursue re-insurance policies. Such policies are expected to enhance the range of products offered by these companies and subsequently increase the insurance services transactions.

- Travel services

Travel services continue to lead the services transactions by sharing 65 per cent out of the total. The positive balance of this account has been reducing

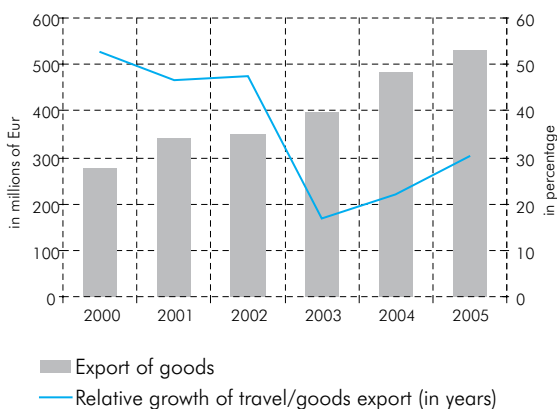
to EUR 56 million from EUR 75 million estimated in 2004, as a result of the greater growth of the import (23 per cent) to the export (17 per cent) of travel services. The net income has managed to finance 4 per cent of the trade deficit for 2005.

Table 8 Annual growth of the trade of goods and travel services (in %)

	Q1/2005	Q2/2005	Q3/2005	Q4/2005
Current account				
1. Goods	8.7	22.5	15.1	15.5
1.1. Export	11.3	10.3	10.0	5.3
1.2. Import	9.5	18.8	13.7	13.0
2. Travel	-80.4	409.4	-37.3	-5.1
2.1. Credit	16.8	16.8	16.4	17.7
2.1.1. Business	1.7	10.4	-67.8	-75.8
2.1.2. Personal	29.1	21.5	81.7	108.0
2.2. Debit	42.0	7.8	26.4	21.0
2.2.1. Business	12.1	-3.7	-28.4	-67.4
2.2.2. Personal	58.9	13.9	49.6	70.8

Source: Bank of Albania

Chart 10 Performance of the export of goods and the relative growth of travel/goods export



Source: Bank of Albania

The Albanian economy has recorded EUR 692 million of income from the export of travel services or 30 per cent more than the export of goods. The performance of foreign currency inflow in Albania, as shown in chart 10, indicates the superiority of travel services export over the export of goods and a similar trend in the future.

On the other hand, expenditures were estimated at EUR 635 million or 79 per cent of the total workers' remittances. These estimations indicate a high number of travellers as well as a rise in the coefficients of average daily expenditures.<sup>4</sup>

Personal purposes expenditures, both for residents and non-residents, share most of the part in this sector. Over 2005, the number of travellers visiting Albania, mainly for tourist purposes and seasonal varying, grew by 16 per cent compared to 2004. These are mainly visitors from Italy, Kosovo and Greece. The number of residents travelling abroad grew by 24 per cent compared to the previous year. About 70 per cent of the total travel abroad for personal purposes, that is tourist ones, for medical and educational purposes having as main destinations countries, such as Greece, Italy and Kosovo.

- Other services

"Other services" category recorded a deficit of about EUR 95 million, which is considerably higher than the EUR 15 million deficit of the previous year. The flow of income for this category over 2005 was estimated to be 28 per cent higher than the ones recorded over 2004. Meanwhile, the expenditure



for this category of services amounted to EUR 264 million or twice as high as in 2004. The deficit of this category came as a consequence of the EUR 77 million deficit in cultural and business services categories. The highest flow of expenditures for this category was recorded in the last quarter of 2005.

### 1.1.3 INCOME

Each year, the Albanian economy benefits foreign currency resources deriving from the work of seasonal workers and the investment of the banking system foreign reserve in non-resident financial institutions, paying at the same time external debt interests. The positive balance of income at the end 2005 is estimated at about 26 million, decreasing by 9 per cent. Net income deriving from labour share about 67 per cent of the positive balance of income. The net income on investment grew by 10.4 per cent. Outgoing income is mainly represented by the settlement of external debt interests, which amount to about EUR 25 million.

### 1.1.4 CURRENT TRANSFERS

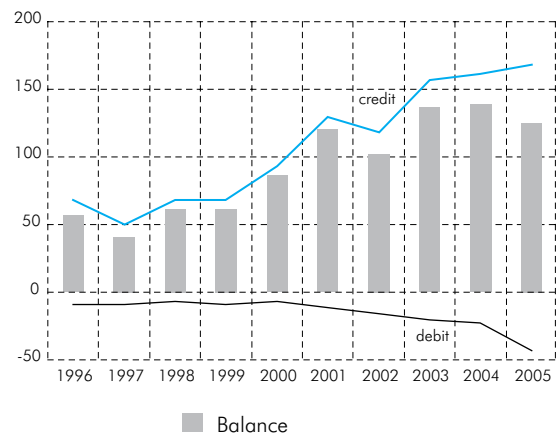
Current transfers, like in the past years, were shaped from workers' remittances. The latter represent a crucial supporting source for the Albanian economy, providing a continuous flow of financing of the current deficit. Total workers' remittances for 2005 are estimated at about EUR 802 million or 11.6 per cent in terms of the GDP against 13.5 per cent accounted for in 2004. The contribution of these remittances to reducing the trade deficit is estimated at about 54 per cent.

Workers' remittances were also accompanied by EUR 65 million of official transfers, mainly in the form of technical assistance.

## 1.2 CAPITAL AND FINANCIAL ACCOUNT

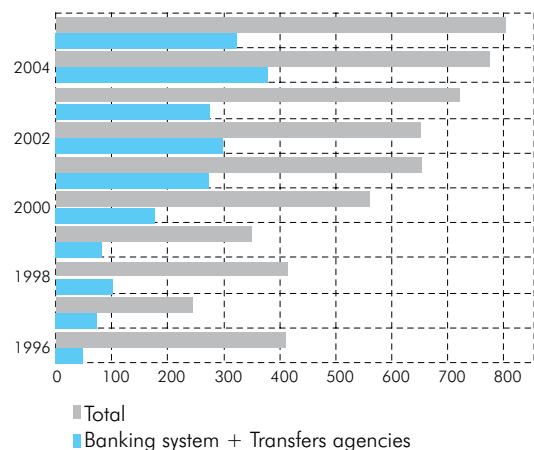
Capital movements over 2005 resulted in a net flow of EUR 424 million, allowing the financing of current deficit to reach to 71 per cent, and contributing to the increase of the monetary authority reserve. Capital transfers totalled EUR 99 million, resulting in an annual decrease of EUR 7 million. Meanwhile, the financial account ended with a positive balance of EUR 325 million against

Chart 11 Income balance  
(in millions of EUR)



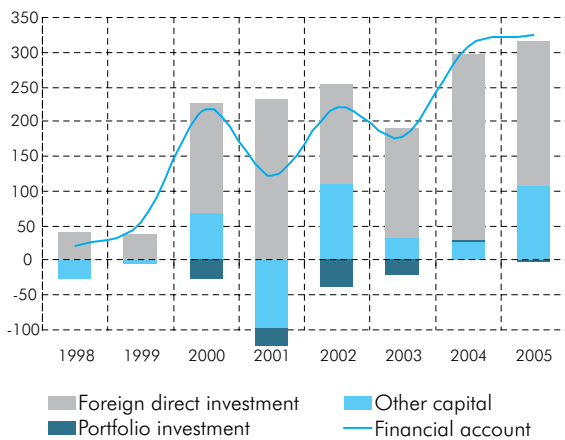
Source: Bank of Albania

Chart 12 Performance of workers' remittances  
(in millions of EUR)



Source: Bank of Albania

Chart 13 Financial account over the years - net flow (in millions of EUR)

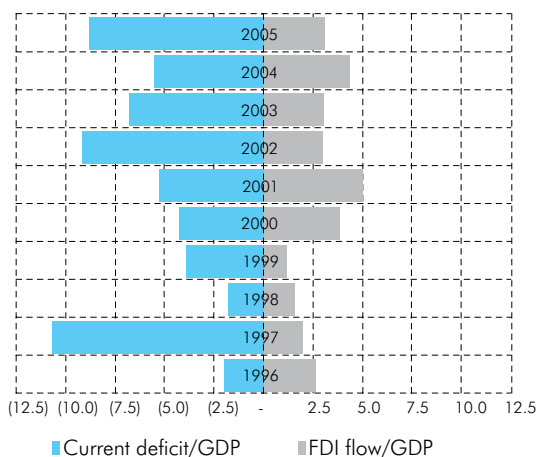


Source: Bank of Albania

EUR 307 million by the end 2004. The financial flows, influencing considerably over this account, relate to the increase of the foreign reserve assets, the administration of debt deriving from borrowing and to the foreign direct investment transactions. Year 2005 was characterized by a lower increase of the financial liabilities compared to the previous year; more concretely by a decrease of the FDI flow and of the borrowing.

Less growth was recorded for residents' financial assets in the form of portfolio investment and deposits. Over 2005, there was a shift in investments through our banking system. Our deposits abroad have fallen and the financial claims have increased as a result of the medium and short-term loans extended to non-residents.

Chart 14 Current deficit and foreign direct investment as a share to the GDP



Source: Bank of Albania

### 1.2.1 NATURE AND COMPOSITION OF CAPITAL FLOWS

Financial account flows are divided into three main categories – direct investment, portfolio investment and other investment.

- Direct investment

Foreign direct investments in Albania are assessed as being a crucial source of financing the current deficit.

As opposed to other sources of financing, FDIs enabled the transfer of technology and knowledge and influenced on the opening of new working places.

Foreign direct investment flows amounted to EUR 213 million over 2005, compared to EUR 278 million over 2004. This positive investment flow has been mainly a consequence of the investments in telecommunication, the growth of investments carried out by the oil extracting companies, as well as of the rise of demand for capital goods, machinery and equipment by about 13 per cent. The decrease of foreign direct investment by about 24 per cent as compared to the previous year, was due to the absence of the privatization phenomenon, which actually occurred in 2004.

Although Albania imposes relatively fewer restrictions on the activity of foreign investors compared to other South East European countries, it seems to have attracted fewer direct investments than countries in the region.

- Portfolio investments

Portfolio investments in the Albanian balance of payments were presented in the form of our financial assets, mainly of our banking system, in the form of treasury bills issued by foreign governments. By the end 2005, the stock of the Albanian economy portfolio investments abroad was estimated at EUR 120 million.

Over 2005, these investments grew by EUR 2 million. The first and third quarters experienced shifts, resulting from the investing policies pursued by the commercial banks, shifting from portfolio investments to deposits, and vice-versa.

As far as the structural composition by currency is concerned, portfolio investments over 2005 were dominated by the USD, about 70 per cent, followed by the EUR, 26 per cent, and the British pound, 4 per cent.

- Other investments

Financial liabilities in the form of non-resident institutions' deposits in our banking system, decreased by about EUR 30 million. As far as the composition of deposits by currency is concerned, deposits in EUR share 67 per cent, while the USD shares 23 per cent, followed by the Swiss franc, 9 per cent.

Albania's liabilities in the form of commercial loan grew by about EUR 8 million, which was also reflected in the increase of imports for this period. However, this year was extended about 64 per cent fewer commercial loans, compared to the previous year.

A considerable increase of EUR 47 million was also recorded in other foreign liabilities in the form of short and medium-term loans extended to non-residents.

Albania's liability created by borrowing grew by EUR 139 million over 2005. The use of IMF credit and loans amounting to EUR 9.4 million also adds to this liability. Meanwhile, the private sector participation in the borrowing activity from banks abroad is considered to be a development of the recent years. Private borrowing accounted for about 39 per cent of the total for 2005, with an annual growth of EUR 54 million, increasing as such the level of share to the total debt created from borrowing.

The increase of these liabilities, which accounts for 43 per cent of net financial account flows, has mainly financed the economy consumption, reflected in the growth of imports for consumption, as well as funded the companies' needs for capital and/or capital goods.

Government borrowing and guaranteed state borrowing, by sectoral distribution, share most of total Albanian borrowing, by 47 per cent and 14

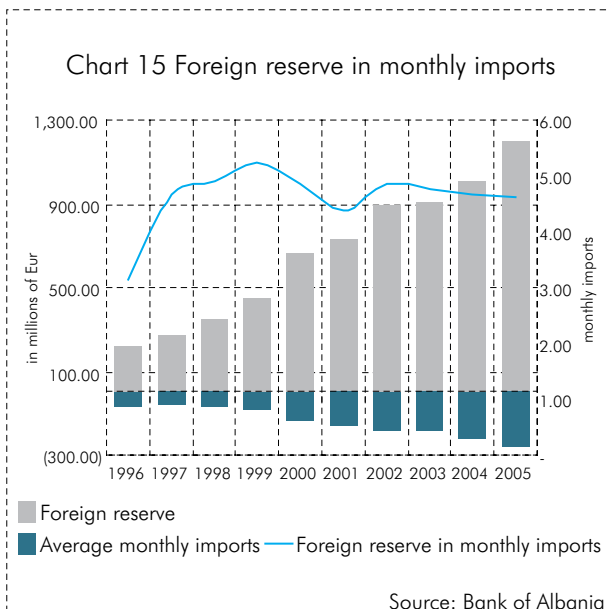
per cent, respectively, which taken together grew EUR 87 million. By the end 2005, Albania recorded a state external debt of EUR 1.039 billion and a guaranteed public debt of EUR 145 million.

The level of debt created by borrowing, both in absolute terms and as a share to the GDP is estimated at about 18 per cent for the period 2004-2005. As a stock of liabilities per capita, this debt is relatively low compared to other countries in the region.

The structure of external debt by currency, is dominated by the SDR (about 60 per cent), followed by the EUR (12 per cent), the USD (11 per cent) and other currencies (17 per cent).

Interest and principal payments (external debt service) created by the borrowing from abroad are assessed as being in moderate levels, accounting for 4 per cent of total exports over 2005 or too low from the level of 25 per cent, generally considered as a critical level. We may come to the conclusion that Albania is not on the verge of being confronted with the ability of paying the external debt, created by borrowing.

Albania's financial claims on the rest of the world grew by EUR 22 million, which is about 6 times lower than the previous year. This change in the foreign assets has resulted from the return of our banking system deposits held abroad, needed for liquidity due to the expansion of Albanian crediting. As far as the deposits' composition is concerned, 55 per cent were in the USD, while the rest in the EUR (40 per cent) and the British pound (5 per cent).



As regards cash foreign assets, they grew by EUR 1.4 million over 2005 and did not display significant fluctuations. By the end 2005, cash foreign assets in the USD shared 29 per cent, those in the EUR 66 per cent, the British pound 4 per cent, and the Swiss franc 1 per cent.

### 1.3 FOREIGN RESERVE

Foreign assets inflows in the form of financial capital were reflected in the growth of the monetary authority reserves by about EUR 125 million, which by the end 2005 recorded the level of EUR 1.204 billion, fully sufficient to cover about 4.6 months of goods and services imports.

## ANNEX 1 SAVINGS, INVESTMENTS AND CURRENT BALANCE

### -TRANSLATING THE CURRENT ACCOUNT BALANCE INTO CAPITAL FLOWS.

National accounts, used in estimating the Gross Domestic Product (GDP), provide a useful structure in the analysis of the relation between the current balance and the net capital flows, as well as of the relation between the balance of payments and the domestic savings and investments.

In the gross national income, the Gross National Product (GNP) is treated as a sum of the income derived from the production of goods and services under the following categories: private consumption (C), private investments (Ip), government goods and services (G) and exports (X). Imports (M) are treated as a negative item to avoid the double counting of the consumption or investment goods purchased domestically but produced abroad. Thus,

$$\text{GNP} = C + I_p + G + (X - M),$$

where,  $X - M$  represents net exports plus net factor of income\*.

A second basic equation in the national income accounts is based on the insight that any income earned by individuals has four possible uses: it can be consumed (C), saved ( $S_p$  – for private savings), paid taxes (T), or transferred abroad (Tr).

Given that the GNP is the sum of the income earned by all individuals in the economy, we have:

$$\text{GNP} = C + S_p + T + \text{Tr}$$

By equating the two above expressions for the GNP, we derive the following equation:

$$X - M - \text{Tr} = (S_p - I_p) + (T - G),$$

where  $X - M - \text{Tr}$  represents the current account.

In other words, the current account is equal to the private savings and investments balance and the government fiscal balance.

Thus, it is clearly evident that a budget deficit should be followed by either a surplus of private savings and investments or by a current deficit. In this context, the constant budget deficits will be reflected in the continuous deterioration of the current account balance. Thus, the fiscal policies pursued by the government may influence on the deterioration or vice-versa, of the country's external position.

In order to clarify the connection between the current account balance and the net foreign flows, we have the following logic: a saved monetary asset can be classified according to the type of assets it purchases. In particular, savings can be used to purchase domestic physical capital, government debt or foreign assets (FA) of various types. Given that the government debt is equal to the budget deficit (G-T), we have,

$$S_p = I_p + (G - T) + FA$$

Rearranging, we have,

$$FA = (S_p - I_p) + (T - G) \text{ that is, } FA = X - M$$

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\* Net factor of income includes the returns on domestic and foreign assets.

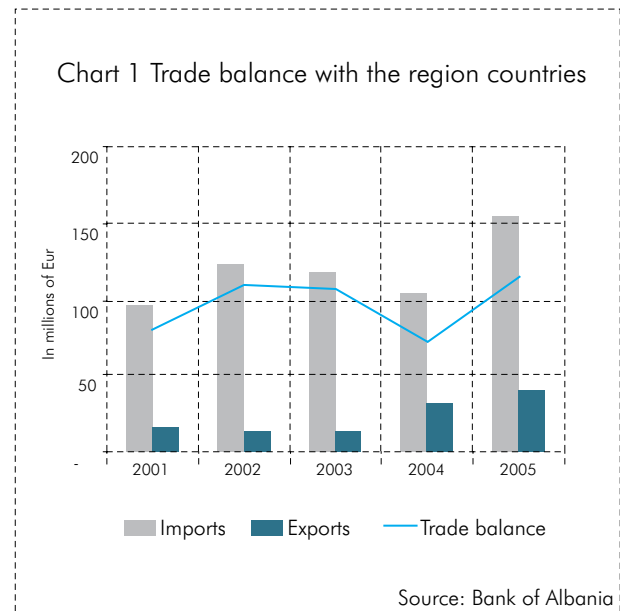
## ANNEX 2 TRADE WITH THE REGION COUNTRIES UNDER THE FREE TRADE AGREEMENTS

Trade with the region countries, Albania implements the Free Trade Agreement with, displays significant positive trends as far as the enhancement of trade exchanges in general are concerned.

For a three-year period, the FTAs have given an impulse to the inter-regional trade relations, in particular to pushing the exports, as one of the main objectives part of these agreements.

The large growth of imports from these countries over 2005, which is twice as rapid as the growth of exports, caused the import – export ratio to be 4 – 1, leading as a consequence to the further deepening of trade deficit. This consequence has resulted disturbing to our economy and has urged the need of finding ways to grow the exports.

In terms of the competitiveness indicator, the Albanian market displays low competitiveness, even when compared to the neighbouring countries, which are not outstanding as far as imports are concerned. Such a fact has hampered the use of facilities deriving from the FTAs for the export of Albanian products to the region. Although in low levels, worth mentioning is the fact that 87 per cent of these products represent a genuine export, since they derive from the domestic production.



	Import			Export		
	2004	2005	Change in %	2004	2005	Change in %
Bosnia Herzegovina	0.91	2.70	196%	0.31	0.89	186.5%
Bulgaria	36.94	59.18	60%	1.28	2.92	129.1%
Croatia	23.80	24.99	5%	0.32	0.15	-53.6%
Kosovo	2.77	7.74	180%	22.07	21.89	-0.8%
Macedonia	19.14	25.83	35%	6.04	8.33	38.0%
Moldova	2.56	4.65	82%	0.00	0.00	1306.9%
Romania	7.96	15.31	92%	0.18	1.28	604.6%
Serbia and Montenegro	10.67	13.16	23%	1.84	4.47	142.7%
Total	104.75	153.56	47%	32.04	39.93	24.6%

Source: Bank of Albania

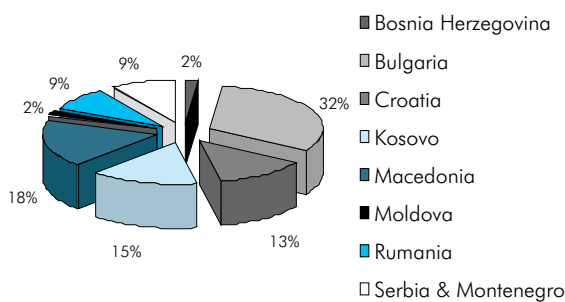
Table 1 Import-export by countries and the annual change

Trade in the region was characterized by evident changes in the distribution by partners, resulting from the urge of finding new and more favourable markets. In this context, the Albanian exports have mostly oriented towards countries such as Romania, Serbia and Montenegro and Bulgaria. Meanwhile, trade with Kosovo has maintained almost the same levels, displaying a positive tendency in imports. Deep trade deficit was recorded with all countries, other than Kosovo, which constitutes a unique case considering its positive trade balance.

Despite the more proportional distribution over 2005, Bulgaria and Macedonia remain our main trade partners (50 per cent of the total trade volume), with a more diversified products portfolio compared to the other countries. Croatia is listed third in terms of the products Albania imports (electricity and natural gas). On the other hand, exports display an entirely

different setting, where the FTAs do not seem to have provided any positive developments, but contrary, have reduced in half compared to the previous year.

Chart 2 Structure of the trade volume with the region countries



Source: Bank of Albania

The structure by commodity groups suffers the low level of diversification, concentrating mostly on products such as cast-iron and steel, and alcoholic beverages. The export of beer, mainly to Macedonia and Kosovo, decreased considerably over 2005, due to the high cost of this product compared to the countries in the region. The entry into force of the agreement with the WTO will bring the complete abolition of customs duties for the imported beer, providing this product with the opportunity of being under equal position throughout the region markets.

As far as the medicinal herbs are concerned, Albanian businesses are far more advanced than their regional competitors, both in terms of volume and of their exports.

Our country should think of better ways of how to use this priority since Albania grows 30 per cent of the kinds of medicinal herbs of all Europe.

Eggs are another Albanian product having great competitive potentials, mostly concentrating on the Kosovo market. Over 2005, they experienced a low growth of 8 per cent, due to the poor infrastructure and the bird flu alarm.

Despite the positive developments, the regional trade does not seem to be in the expected levels, while promising for better potentials. There are a number of other factors affecting the performance of free trade agreements, since they are also inter-related with the regulatory system and reforms undertaken in the respective countries.

The unique free trade agreement, expected to become effective in 2007, shall enhance the real opportunities, impel new potentials in finding the markets and provide clear and stable perspectives in the region for truly joining the EU. The establishment of a compact market is expected to effect the business development, competition enhancement, attractive opportunities for foreign direct investments, etc.



## 2. ANALYSIS OF TOURISM SURVEY RESULTS FOR YEAR 2005

### 2.1 SURVEY METHODOLOGY

*The methodology is presented in the steps each stage of the survey has been conducted since 1999.*

*Surveyor – Bank of Albania.*

*Interviewer – On-site interviewer, under the supervision of INSTAT.*

*Survey – On-site interviewing.*

a – Purpose of the survey – The purpose of this survey is to collect the data on the average duration and the average daily expenditures of resident and non-resident tourists, during their respective travels in Albania and abroad.

b – Defining the population and the interviewing spots – The population intended to be covered through this survey consists of two groups. The first group comprises resident tourists (of Albanian nationality or not) who return from their travels abroad for tourism purposes. The second group comprises non-resident tourists (of Albanian nationality or not), who leave Albania after a tourism journey.

The interviewing spots are the border checkpoints of the Republic of Albania. The interviewing spots are defined by using the data of the Ministry of Public Order on the number of incomings and outgoings of tourists in and from the Republic of Albania territory (the data for 2003), as well as by providing a representation of about 80 per cent of this flow.

c – The selection of the interviewing sample - The selection of the surveying population is defined based on the records of the Ministry of Public Order on the flow of incomings and outgoings in and from the Republic of Albania borders for 2003. The size of the sample for each border checkpoint is determined by using the method of the typical proportional selection as the most appropriate approach for our case with the data divided into groups.

d – Data processing – The entry and processing of the data are carried out at the Bank of Albania by the operators and specialists of the Balance of Payments Division. Prior to the processing, the deletion of the data from the extreme values is made, and then the conversion into euro of the amounts reported in different currencies, as well as the conversion of months into

days. Frequently, the data processing is combined with the verification of the completed questionnaires, in order to better determine the type of tourist and his/her characteristics.

## 2.2 DESCRIPTIVE ANALYSIS OF RESULTS

### NUMBER OF TRAVELLERS

The number of non-residents visiting Albania has grown by 16 per cent over 2005, while the number of residents travelling abroad has grown by 24 per cent. The following table provides the data recorded in the border checkpoints for 2003-2005.

Table 1 Total number recorded in the Albanian border checkpoints

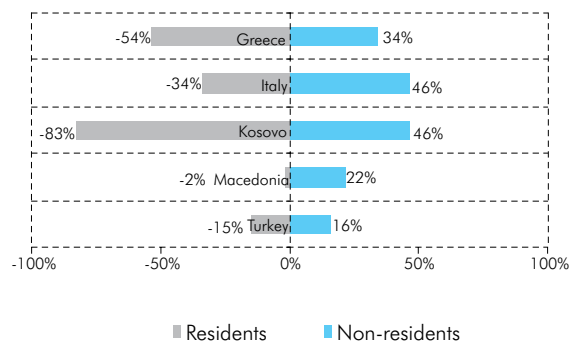
	2003	2004	2005
Outgoing residents	1,350,399	1,693,867	2,096,806
Incoming non-residents	558,057	645,409	747,837

Source: Ministry of Internal Affairs

About 75 per cent of the incoming visitors are mainly from the European Union countries, while 20 per cent from the region countries. Most European Union visitors come from Italy (46 per cent) and Greece (34 per cent), while the region is represented by visitors from Kosovo (46 per cent), Macedonia (22 per cent), and Turkey (16 per cent). A year ago, Italy and Greece were the two countries recording the highest number of travellers, while for year 2005 Italy and Kosovo share the largest part.

There is an increase in the number of incoming visitors from the border checkpoints of Morina and Qafë Thanë. Their geographical position favours the large number of incoming visitors from Kosovo and Macedonia. Given this fact and considering the growing rate of the number of visitors, the Albanian tourism is expected to be dominated by visitors from Kosovo.

Chart 3 The number of resident and non-resident travellers by countries over 2005



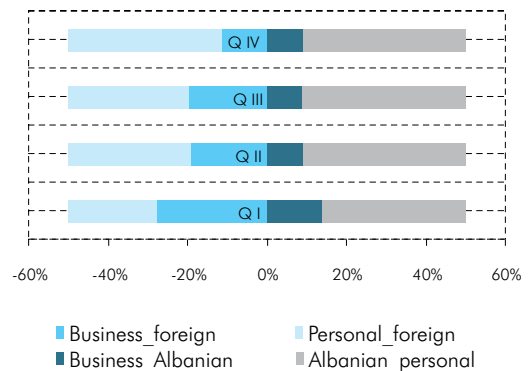
Source: Bank of Albania

As far as residents are concerned, the variety of countries they have been travelling to is more limited, depending on the possibility of getting the travelling visa. Although the European Union represents about 80 per cent of the residents' main destinations, the most visited countries remain Greece (54 per cent) and Italy (34 per cent). About 15 per cent of residents have travelled to region countries, mainly to Kosovo (83 per cent), Turkey (15 per cent) and Macedonia (2 per cent).

The Albanian tourism is characterized by the seasonality, which influences on both the visitors' purpose and on the expenditures they carry out during their visit. Over the first semester of 2005, 40-55 per cent of non-residents' visits were carried for business purposes, while over the second semester, about 60-77 per cent of visitors were on holiday.

Residents have travelled abroad throughout the year mainly for personal purposes, accounting for 70 -80 per cent of the total surveyed number. Meanwhile, the 20-30 per cent band represents the residents travelling for business purposes.

Chart 4 Foreign and Albanian visitors by their travel purpose (in percentage)



Source: Bank of Albania

	Non-residents (incoming)			Residents (outgoing)		
	2003	2004	2005	2003	2004	2005
By air	16	16	17	12	13	13
By sea	21	21	17	25	22	18
By land	63	63	66	64	65	68

Source: Ministry of Internal Affairs

Table 2 Resident and non-resident visitors by the transportation means (in %)

As observed for both groups of visitors, 65 per cent of visitors on average travel by land, 20 per cent by sea and 15 per cent by air. The means of transportation are conditioned by their respective cost.

## 2.3 DURATION

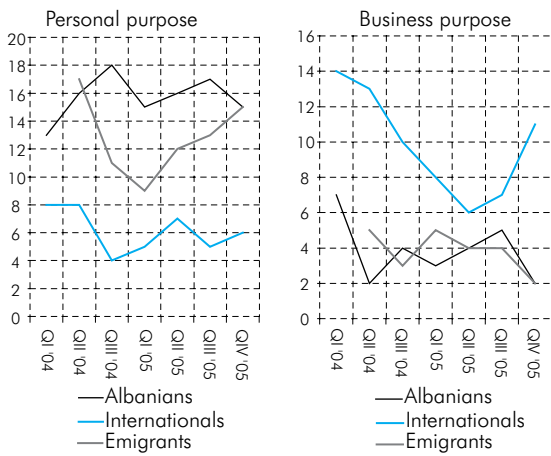
The duration of residents travelling abroad has been decreasing for both categories. For personal purposes, the duration lasts for about 15 days, while for business purposes it averages from 2 to 5 days, compared to the 2 to 7 days band recorded over the previous year.

Meanwhile, there has been a decrease in the duration of non-residents compared to the previous year, (14 per cent for personal and 35 per cent for business purposes). Non-residents' duration of stay is on average 8 days for business and 6 days for personal purposes.

The duration of stay for non-resident emigrants is on average 12 days for personal purposes and 4 days for business ones. The last figure is almost in the same levels as in the previous year.

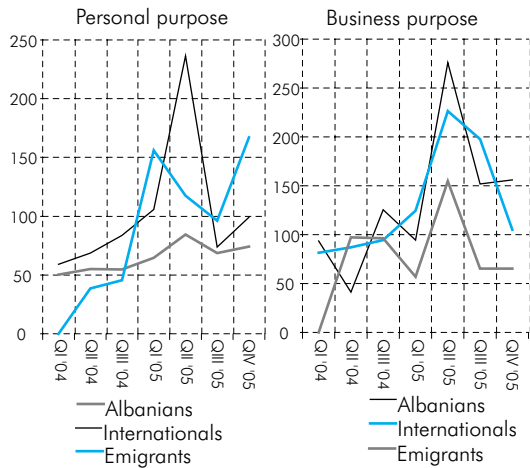
It could be said that the duration for the three groups of travellers is conditioned by the seasonal periods, being longer over the second and the fourth quarters when the number of travellers is higher. Worth mentioning is the fact that the relation "duration – purpose of travel" varies among

Graph 5 Average duration of visitors by their purpose of visit



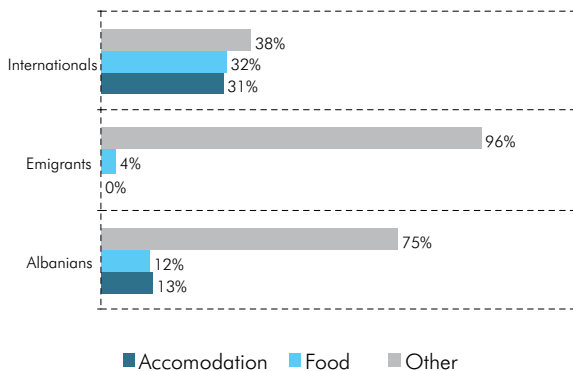
Source: Bank of Albania

Chart 6 Average daily expenditures of visitors by purpose



Source: Bank of Albania

Chart 7 Structure of expenditures in the three surveyed groups



Source: Bank of Albania

the groups of visitors. Residents and non-resident emigrants' duration is longer, since their purpose is personal rather than business, while the opposite counts for non-residents (see the chart).

## 2.4 AVERAGE DAILY EXPENDITURES

The survey notes that the average daily expenditures have risen considerably for all groups of visitors and their respective purpose of visit. Residents have spent for personal purposes about EUR 65-75 euro a day, while the average expenditures for business purposes display greater fluctuations over the quarters, between EUR 95 and 270 a day. The greatest amount of expenditures was encountered in the second quarter, which marks the beginning of the tourist season.

Non-residents' average expenditures amounted to EUR 237 a day for personal purposes and EUR 226 for business purposes. These great amounts may also be a result of the lower average duration over this year compared to year 2004.

Non-resident emigrants' average expenditures have raised considerably compared to the previous year. Characteristic of non-resident emigrants is the fact that they spend more for personal purposes rather than for business ones, amounting to EUR 134 and EUR 86 a day, respectively (average amount over the quarters of 2005), and peaking in the second and fourth quarter.

There is a non-uniform distribution of expenditures for residents and non-resident emigrants, where the various purchases share the most part. Meanwhile, there is a regular distribution of the kind of expenditures for non-residents.

## METHODOLOGICAL ANNEX

### Non-resident:

Any individual, enterprise or organization established in a country other than Albania. Banks operating in other countries are examples of non-residents. The persons who do not generally live in Albania (for more than a year) are also non-residents.

### Resident:

All enterprises operating in Albania, whether they are property of Albanian or foreign individuals. The persons who generally live in Albania are also considered residents, regardless of their citizenship or nationality. An exemption to this rule is the foreign personnel of embassies accredited to Albania. They are considered non-residents. In general, if troubles are encountered while determining the residency of an entity, it will be established based on the period this entity has been operating in Albania. If this period is longer than one year, the entity will be considered as a resident.

### Import of goods:

The process of changing the ownership of moveable goods (with a few exceptions) from a non-resident to a resident.

### Export of goods:

The process of changing the ownership of moveable goods (with a few exceptions) from a resident to a non-resident.

### Trade balance:

It is the difference between exports and imports. A country has a trade deficit if it imports more than it exports; the opposite scenario is a trade surplus.

### SITC classification:

SITC is the Standard International Trade Classification which is a one-digit statistical classification of the commodities entering external trade. It is designed to provide the commodity aggregates required for purposes of economic analysis and to facilitate the international comparison of trade-by-commodity data. This classification derives from the regrouping of the harmonized system HS of 97 commodity groups.

### Imports for active manufacturing:

Goods acquired temporarily and intended to be used as raw material for further processing.

### Re-exports:

Goods entered in a country and intended to be exported only, after their processing and change in the domestic economy.

### Free trade agreement:

It is a negotiable and agreed on document between trading partners,

which establishes unimpeded exchange and flow of goods and services and abolishes or breaks tariffs and trade barriers significantly.

Economic openness scale:

It measures the trade volume rate in terms of a country's GDP, expressing how open the economy of a country is to the rest of the world. The highest the rate, the more opened the economy of a country is.

Rules of origin:

Rules of origin are the criteria needed to determine the national source of a product. The general accepted rule for determining the origin is that the country where the final essential transformation or the adequate process is made is the product country of origin.

BEC (Broad Economic Categories):

The classification of foreign trade statistics by economic categories BEC provides to the users and analysts of such statistics the categorization of trade according to their main end use.

Intermediate goods:

Goods purchased for resale or for use in producing final goods for consumers. In the process of production, intermediate goods become part of the final product or are entirely changed during the process.

Capital goods:

Goods used for the production of final goods and services, which are not part of them, such as machinery, transportation means, office equipment, etc.

Consumer goods:

Goods acquired for personal use.

Tourism:

It is a balance of payments component, in which are recorded all the transactions in goods and services related to the travellers' expenditures. According to the IMF manual, these transactions are recorded in the debit and credit of "travel".

Traveller:

According to the balance of payments, a traveller is an individual staying, for less than one year, in an economy of which he is not a resident for any purpose other than: (a) being stationed on a military base or being an employee (including diplomats and other embassy personnel) of an agency of his or her government; or (b) being an accompanying dependent of an individual mentioned under (a); or (c) undertaking a productive activity directly for an entity that is a resident of that economy.

Tourist:

Travellers who spend at least one night in the economy they are travelling.

Tourist expenditure:

Tourist expenditure covers all goods and services acquired by travellers from the economies in which they are travelling, paid for on his or her behalf.

Personal travel:

This category covers goods and services acquired by travellers going abroad for purposes other than business. Included are leisure activities such as holidays, participation in sports and other recreational and cultural activities, visits with relatives and friends, pilgrimage and religious observances, studies, and health-related purposes.

Business travel:

The business travel category covers the acquisition of goods and services by: a) business travellers going abroad for all types of business activities, such as sales campaigns, meetings, etc, b) seasonal and border employees.

Foreign direct investment:

Direct investment is the category of international investment that reflects the objective of a resident entity in one economy (direct investor) obtaining a lasting interest in an enterprise resident in another economy. Direct investment implies the existence of a long-term relationship between the direct investor and the enterprise, and a significant degree of influence by the investor on the management of the enterprise (Balance of Payments Manual, IMF fifth edition recommends a minimal capital participation of 10 per cent).

Portfolio investment

Portfolio investment includes equity securities, debt securities different from the direct investment. Referring to the Balance of Payments Manual, IMF fifth edition, the degree of influence by the investor on the management of the enterprise is recommended to be less than 10 per cent.

Other investment:

“Other investment” account is a residual category that includes all financial transactions not covered in direct investment, portfolio investment, or reserve assets. In the Albanian balance of payments, this category mainly includes borrowing, currency and deposits, trade credits, as well as other assets and liabilities.

Reserve assets:

Reserve assets consist of those external assets that are readily available to and controlled by monetary authorities for direct financing of payments imbalances, for indirectly regulating the magnitude of such imbalances through the intervention in exchange markets to affect the currency exchange rate, and/or for other purposes.

## NOTES

<sup>1</sup> Measured as the ratio of the trade volume in goods and service to the GDP.

<sup>2</sup> Statistical Annex – Table: Export by commodity groups.

<sup>3</sup> Source: “Annual Report 2005” of the World Trade Organization.

<sup>4</sup> In order to have a more accurate assessment of the “Tourism” services in Albania, the Balance of Payments Division conducts quarterly surveys in the main border checkpoints and produces the estimating coefficients for the average daily expenditures of foreign and Albanian tourists. See the annex on the analysis of tourism survey results for year 2005.



## STATISTICAL ANNEX

BALANCE OF PAYMENTS												
in millions of EUR												
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		
Current account	-50.05	-224.64	-57.79	-124.71	-177.04	-242.97	-446.67	-361.07	-286.16	-594.34		
Merchandise: Exports	195.79	140.44	184.94	258.18	277.23	339.67	350.52	397.03	485.58	530.19		
Merchandise: Imports	-740.75	-614.05	-721.64	-880.32	-1,168.40	-1,484.89	-1,576.58	-1,583.36	-1,762.27	-2,006.92		
Trade Balance	-544.96	-473.60	-536.70	-622.14	-891.17	-1,145.21	-1,226.06	-1,186.33	-1,276.69	-1,476.73		
Services: Credit	102.27	60.08	77.00	250.30	486.39	594.97	620.95	638.91	807.54	967.31		
Services: Debit	-114.33	-89.51	-114.96	-155.27	-466.75	-495.39	-626.51	-712.35	-848.04	-1,107.69		
Income: Credit	67.07	54.52	76.52	80.38	125.81	181.16	155.95	172.92	164.01	168.18		
Income: Debit	-9.64	-10.52	-7.75	-9.70	-9.93	-14.99	-21.85	-21.70	-23.32	-42.28		
Private Unrequred Transfers	382.49	208.70	374.58	176.80	476.08	605.13	610.29	693.98	829.68	835.52		
Official Unrequred Transfers	67.00	25.70	73.44	154.92	102.48	31.38	40.56	53.50	60.66	61.35		
Capital Account	3.94	1.86	27.65	63.33	84.88	131.35	128.66	139.34	106.23	99.20		
Financial Account	39.85	135.42	21.21	54.09	219.06	121.55	219.57	179.30	307.05	327.84		
Direct Investment	72.39	42.09	40.02	38.67	155.22	231.16	143.29	158.06	267.39	209.26		
Portfolio Investment	0.00	0.00	0.00	0.00	-27.14	-26.14	-39.09	-19.96	4.63	-1.97		
Other Capital*	-32.54	82.50	-25.82	-4.17	70.02	-96.87	109.76	31.35	25.41	-171.60		
Net Errors and Omissions	44.03	126.14	61.67	123.26	16.28	151.76	128.80	130.88	106.54	292.15		
Overall Balance	37.76	38.78	52.67	115.97	143.18	161.69	30.35	88.45	233.66	124.84		
Reserve and Related Items												
Reserve Assets	-37.74	-38.79	-52.67	-115.97	-143.17	-161.69	-30.35	-88.45	-233.66	-124.84		
Use of Fund Credit and Loans	0.00	10.82	7.01	19.59	20.95	13.40	5.60	9.86	9.61	9.42		
Memorandum Items												
Total Change in Reserve Assets	-31.73	-25.06	-67.52	-91.41	-141.81	-146.04	-103.02	-158.01	-276.09	-47.42		
of which: Revaluation	-5.86	-13.73	14.85	-24.56	-1.37	-15.65	72.66	69.56	42.43	-77.39		
* / not included use of Fund credit and loans												

Source of data: Bank of Albania

BALANCE OF PAYMENTS 2005												
in millions of EUR												
	Q4 '04		Q1 '05		Q2 '05		Q3 '05		Q4 '05		Debit	Q4 '05
	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit		
A. Current account	649.6	-778.5	570.1	-660.3	628.6	-817.1	784.5	-861.3	704.3	-943.1		
Goods, services and income	365.4	-755.2	362.2	-635.1	416.7	-784.5	456.6	-833.9	430.2	-903.5		
1. Goods, balance of payments basis	125.0	-518.1	121.5	-398.1	143.3	-507.1	133.7	-516.1	131.7	-585.7		
1a. Goods, reported trade	125.0	-514.4	121.5	-396.5	143.3	-505.2	133.7	-511.0	131.7	-581.4		
1b. Goods from aid		-3.7		-1.5		-1.9		-5.0		-4.2		
1c. Goods from migrants		0.0		0.0		0.0		0.0		0.0		
2. Services	201.1	-230.4	203.8	-227.9	239.5	-263.3	270.8	-309.9	253.2	-306.6		
2a. Transport services	22.5	-47.8	18.3	-35.0	24.1	-42.9	30.2	-49.5	29.6	-56.3		
i. Freight services	15.0	-36.0	12.0	-28.4	15.1	-35.8	15.1	-36.1	16.7	-40.4		
ii. Passenger services	4.8	-6.5	3.8	-3.1	5.3	-3.8	7.3	-5.4	5.1	-5.2		
iii. Other	2.8	-5.3	2.5	-3.4	3.7	-3.4	7.9	-8.0	7.9	-10.7		
2b. Insurance	1.3	-5.8	0.7	-4.6	1.3	-6.6	1.6	-6.9	0.9	-6.7		
2c. Travel	148.8	-130.0	149.6	-144.4	169.7	-153.2	197.1	-180.4	175.2	-157.3		
i. Business	73.1	-46.8	58.6	-41.2	68.8	-47.5	23.9	-30.4	17.7	-15.2		
ii. Personal	75.7	-83.2	91.0	-103.2	100.9	-105.7	173.3	-150.1	157.4	-142.1		
2d. Other services	28.5	-46.7	35.2	-44.0	44.4	-60.6	41.8	-73.0	47.4	-86.3		
i. Communication services	19.9	-5.0	15.0	-4.2	14.4	-2.4	14.0	-2.2	14.1	-3.0		
ii. Construction services	0.3	-0.2	0.1	-0.1	0.3	-0.4	0.5	-0.2	1.3	-0.5		
iii. Computer and information	0.3	-0.4	0.2	-1.2	2.0	-0.6	0.1	-0.4	0.2	-0.5		
iv. Technical assistance	0.0	-12.4	0.0	-7.9	0.0	-7.0	0.0	-13.5	0.0	-12.4		
v. Government services	2.5	-3.8	2.2	-1.9	1.1	-3.9	1.2	-2.2	4.0	-4.0		
VI. Financial services	0.6	-0.8	3.7	-2.5	3.4	-4.4	3.6	-2.6	2.1	-4.6		
vii. Business, cultural and personal services	1.0	-9.6	0.8	-12.4	4.3	-16.6	4.5	-29.9	3.3	-31.0		
viii. Other	3.9	-14.4	13.1	-13.9	18.9	-25.1	17.9	-22.0	22.5	-30.2		
3. Income	39.3	-6.8	36.9	-9.1	33.9	-14.0	52.1	-8.0	45.3	-11.2		
3a. Compensation of employees	26.5	-0.9	18.5	-1.0	17.4	-1.1	28.8	-1.5	24.4	-1.7		
3b. Investment income	12.8	-5.8	18.4	-8.1	16.5	-12.9	23.2	-6.5	21.0	-9.5		
i. Direct investment income	0.0	-0.1	0.0	0.0	0.3	-1.1	0.0	-1.1	0.0	0.6		
- dividend	0.0	-0.1	0.0	0.0	0.3	-1.1	0.0	-1.1	0.0	0.6		
ii. Portfolio investment income	2.1	0.0	5.2	-4.0	6.1	-4.4	8.5	-0.1	10.3	-0.1		
equity	0.0	0.0	2.4	-3.9	1.0	-4.3	0.0	0.0	3.0	0.0		
interest	2.1	0.0	2.9	-0.1	5.1	-0.2	8.5	-0.1	7.2	-0.1		
iii. Interest on reserves	6.4	-0.3	12.6	-0.2	8.9	-0.4	12.2	-0.5	7.1	-0.4		
iv. Other income (debt)	4.4	-5.5	0.6	-3.8	1.1	-7.0	2.5	-4.7	3.6	-9.5		
4. Current transfers	284.1	-23.3	207.9	-25.2	211.9	-32.7	327.9	-27.4	274.1	-39.6		
4a. General government	18.5	0.0	11.8	0.0	10.1	0.0	20.8	0.0	22.5	-3.9		
i. Technical assistance	13.8	0.0	9.9	0.0	7.8	0.0	15.0	0.0	13.8	0.0		
ii. Cash grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.5	0.0		

iii. Goods and other	4.7	0.0	1.9	0.0	2.3	0.0	5.8	0.0	5.2	-3.9
4b. Remittances from expatriates	238.4	0.0	166.4	0.0	156.6	0.0	259.5	0.0	219.6	0.0
4c. Other	27.2	-23.3	29.6	-25.2	45.2	-32.6	47.5	-27.4	32.0	-35.7
Current account balance	-129.0		-90.2		-188.5		-76.8		-238.8	
- excluding official transfers	-147.5		-102.0		-198.6		-97.6		-261.3	
B. Capital and financial account	139.3		65.9		131.6		10.7		218.8	
I. Capital transfers	28.5		35.5		14.6		25.0		24.1	
1. Debt forgiveness	0.0		0.0		0.0		0.0		0.0	
2. Other	28.5		35.5		14.6		25.0		24.1	
II. Financial account	110.7		30.4		117.1		-14.3		194.7	
1. Liabilities	92.4		63.6		126.2		28.9		131.3	
1a. Foreign direct investment	44.6		45.3		50.3		53.0		63.9	
i. Equity investment	0.0		0.0		0.0		0.0		4.1	
ii. Other capital	44.6		45.3		50.3		53.0		59.8	
1b. Borrowing	57.1		27.4		56.3		28.8		31.7	
i. Official borrowing	54.9		27.2		17.3		19.7		25.6	
i. Private borrowing	2.1		0.3		39.0		9.1		6.0	
1c. Use of Fund credit and loans	0.0		4.6		0.0		4.8		0.0	
1d. Repayments	-13.6		-6.4		-11.8		-8.0		-15.7	
1e. Currency and Deposits	5.7		-4.2		8.1		-43.7		9.9	
1f. Trade credits	3.4		-9.2		5.1		4.6		7.8	
1g. Change in arrears	0.0		0.0		0.0		0.0		0.0	
1h. Other liabilities	-4.7		5.9		18.2		-10.7		33.7	
2. Assets	18.3		-33.2		-9.2		-43.2		63.5	
2a. Equity investment	-2.0		-2.0		0.0		0.0		-1.3	
2b. Portfolio investment	-95.9		-42.8		-5.4		40.9		5.4	
2c. Deposits	141.7		6.9		29.8		-46.0		62.3	
2d. Currency	-16.9		10.5		1.1		-6.4		-6.4	
2e. Other assets	-8.6		-5.8		-34.6		-31.7		3.6	
C. Reserve assets	-45.9		-9.7		-1.4		-33.7		-80.1	
1. Gold	0.0		0.0		0.0		0.0		0.0	
2. Foreign currency	-49.1		-5.3		-3.8		-100.3		-82.3	
3. SDR	3.2		-4.3		2.4		66.6		2.2	
4. Reserve position in the Fund	0.0		0.0		0.0		0.0		0.0	
D. Net errors and omissions	35.6		34.0		58.2		99.8		100.1	

Source of data: Bank of Albania

IMPORT BY COMMODITY GROUPS in millions of EUR	2005																					
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	January	February	March	April	May	June	July	August	September	October	November	December
Live animals, animal products	37.81	24.30	37.74	38.85	32.92	32.26	48.71	55.63	53.16	57.47	4.17	4.98	5.10	4.99	4.79	4.33	4.54	6.25	3.63	4.43	5.12	5.17
Vegetable products	130.94	75.55	73.78	80.64	98.43	113.65	113.99	105.30	132.92	121.75	12.07	9.92	10.84	12.49	8.17	7.43	6.54	8.73	13.68	8.68	10.56	12.62
Animal or vegetable fats and oils	21.46	18.36	24.12	16.87	23.17	22.39	23.24	25.64	26.52	28.50	2.74	2.46	2.51	1.34	2.23	3.01	1.19	1.72	2.37	3.80	2.34	2.78
Prepared foodstuffs, beverages, tobacco	71.08	41.65	64.87	102.11	105.95	120.66	138.80	138.71	144.96	161.59	8.70	10.27	11.53	13.61	13.45	14.05	13.06	14.13	18.55	14.30	13.81	16.13
Mineral products	39.05	43.60	62.24	76.27	153.80	205.88	204.11	194.80	196.35	253.81	13.58	15.58	15.03	16.10	16.24	21.44	13.34	23.98	29.14	30.51	25.85	33.04
Products of chemical industry and related	36.26	33.88	54.93	48.23	65.60	80.15	91.68	100.76	122.18	146.27	7.98	9.25	11.32	12.63	11.01	13.94	15.86	11.12	12.45	13.54	12.04	15.14
Plastic, rubber and items thereof	17.31	17.58	22.23	25.01	34.68	41.76	47.83	50.37	55.33	67.85	4.28	4.78	4.57	5.72	6.15	6.01	6.40	5.87	5.93	6.39	5.86	5.90
Raw hides and skins, leather	15.95	12.76	16.91	19.77	20.61	30.79	39.07	48.87	48.18	45.15	3.13	3.12	3.59	3.88	4.55	4.40	4.34	1.82	3.31	3.78	4.44	4.80
Wood and articles of wood	5.97	6.77	9.08	15.18	11.31	13.83	17.55	19.98	25.89	32.16	1.82	1.52	1.94	2.57	2.56	2.96	2.57	3.44	3.05	3.51	3.10	3.11
Pulp of wood, paper and paperboard	10.75	7.55	11.37	13.42	18.50	22.88	31.37	32.04	33.95	35.44	2.14	2.69	2.87	2.57	2.50	2.99	3.42	3.28	3.60	3.07	2.84	3.46
Textiles and textile articles	67.74	59.15	94.46	110.88	139.50	154.61	175.20	178.75	189.11	197.50	14.07	15.00	14.45	15.97	16.48	17.42	17.63	10.03	17.56	19.14	18.97	20.79

Footwear, headgear and umbrellas	47.06	32.67	35.89	32.70	30.12	52.81	59.08	57.41	56.81	57.59	3.70	4.14	4.84	4.38	5.68	5.37	4.62	3.23	4.06	6.06	5.60	5.92
Articles of stone, plaster, cement, ceramic products, glass	17.91	19.72	25.54	28.29	45.49	55.34	61.55	60.19	67.06	78.30	6.45	4.04	4.62	6.53	5.40	8.23	6.06	6.78	7.67	6.34	7.92	8.25
Pearls, jewellery, coins	1.02	0.15	0.34	0.83	2.90	0.45	0.38	0.60	0.83	0.99	0.05	0.09	0.09	0.09	0.10	0.06	0.09	0.06	0.09	0.08	0.10	0.10
Base metals and articles thereof	35.99	37.92	48.72	71.20	90.95	131.85	142.36	155.70	172.75	232.40	10.66	14.60	16.76	21.11	18.07	19.13	19.75	19.27	20.60	21.38	26.42	24.66
Machinery and mechanical appliances, electrical equipment	121.56	90.21	72.07	102.24	161.59	274.87	255.84	249.92	306.95	363.93	17.21	24.90	25.27	32.81	36.09	31.20	33.82	42.45	23.53	29.29	25.63	41.71
Vehicles, aircraft	45.92	28.21	48.97	66.29	86.97	79.03	85.96	106.12	124.54	125.04	7.85	7.28	8.71	9.55	10.14	17.85	9.25	10.25	10.92	11.39	10.80	11.05
Optical, photographic, measuring, medical instruments	9.98	7.13	7.71	12.26	20.15	22.37	16.12	19.03	32.40	27.67	1.91	2.70	2.48	1.17	2.33	3.44	1.38	1.35	3.02	2.17	2.39	3.32
Arms and ammunitions	0.53	0.41	0.62	1.90	0.44	0.68	0.73	0.65	0.44	1.04	0.04	0.15	0.08	0.03	0.02	0.01	0.03	0.13	0.23	0.09	0.10	0.12
Miscellaneous manufactured articles	15.38	12.95	19.02	22.16	28.20	35.24	39.81	37.60	40.02	49.33	2.32	2.60	2.83	3.24	4.03	3.86	5.68	3.91	3.21	5.21	6.57	5.85
Works of art, antiques	0.04	0.02	1.54	0.03	0.31	0.03	0.52	0.03	0.18	0.06	0.00	0.00	0.01	0.00	0.00	0.01	0.00	0.00	0.01	0.00	0.01	0.01
TOTAL	749.70	570.55	732.15	885.12	1,171.58	1,491.54	1,593.90	1,638.08	1,830.51	2,083.85	124.85	140.06	149.43	170.79	170.01	187.16	169.57	177.81	186.60	193.18	190.46	223.93



Articles of stone, plaster, cement, ceramic products, glass	0.29	0.39	1.49	0.56	0.76	2.04	2.01	1.85	2.18	2.55	0.14	0.19	0.16	0.20	0.28	0.25	0.22	0.19	0.25	0.23	0.25	0.20
Pearls, jewellery, coins	0.06	0.05	0.15	0.76	0.57	4.99	0.39	0.35	0.63	0.92	0.05	0.13	0.11	0.09	0.09	0.07	0.07	0.04	0.06	0.06	0.09	0.06
Base metals and articles thereof	20.38	12.66	8.34	13.68	23.37	27.17	32.71	43.75	69.25	81.20	5.54	3.97	5.07	4.88	5.22	14.58	10.69	5.06	7.17	5.66	5.41	7.96
Machinery and mechanical appliances, electrical equipment	3.04	6.57	3.86	11.59	4.83	7.88	8.95	12.98	17.31	20.34	1.62	1.58	1.84	1.36	2.29	1.75	1.36	0.61	1.49	1.57	1.85	3.01
Vehicles, aircraft	0.10	0.49	1.03	4.69	0.25	1.04	0.91	1.07	1.78	1.80	0.05	0.11	0.10	0.42	0.07	0.09	0.24	0.16	0.08	0.07	0.22	0.18
Optical, photographic, measuring, medical instruments	0.20	0.10	0.72	0.38	0.56	0.22	0.30	0.22	1.63	1.00	0.14	0.03	0.05	0.09	0.45	0.06	0.01	0.01	0.04	0.07	0.02	0.03
Arms and ammunition	0.54	0.04	0.00	-	1.82	0.49	0.70	0.29	0.47	0.52	0.08	0.00	-	-	0.04	0.09	-	0.04	-	0.00	-	0.26
Miscellaneous manufactured articles	2.61	3.03	5.43	7.42	7.70	5.72	7.25	7.55	9.62	11.37	0.73	0.96	0.71	0.71	0.86	1.15	1.38	0.76	0.90	1.31	0.97	0.93
Works of art, antiques	0.02	0.00	0.03	0.02	0.03	0.13	0.03	0.03	0.15	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.01
<b>TOTAL</b>	<b>180.36</b>	<b>129.16</b>	<b>184.94</b>	<b>257.59</b>	<b>293.32</b>	<b>339.67</b>	<b>350.52</b>	<b>395.24</b>	<b>485.58</b>	<b>530.19</b>	<b>38.12</b>	<b>38.78</b>	<b>44.56</b>	<b>44.35</b>	<b>44.07</b>	<b>54.91</b>	<b>53.04</b>	<b>31.22</b>	<b>49.47</b>	<b>42.85</b>	<b>43.09</b>	<b>45.72</b>

Source of data: General Directory of Customs. The published statistics are compiled in concordance with the balance of payments methodology framework.

EXTERNAL DEBT in millions of EUR	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Drawdowns	107.51	88.45	122.60	156.03	110.10	96.44	146.27	175.31	181.10	144.18
of which:	-	-	-	-	-	-	-	-	-	-
Use of Fund Credit and Loans	-	13.78	8.89	22.27	17.81	10.78	4.99	12.18	9.61	9.42
Principal due	18.67	17.96	10.68	16.82	17.09	20.94	39.23	37.02	40.05	41.84
Principal paid	18.67	17.96	10.68	16.82	17.09	20.94	39.23	37.02	40.05	41.84
Change in arrears	-	-	-	-	-	-	-	-	-	-
Interest due	12.45	7.79	9.56	8.54	7.45	10.83	17.38	16.17	18.37	25.10
Interest paid	12.45	7.79	8.81	8.54	7.45	10.83	17.38	16.17	18.37	25.10
Change in arrears	-	0.00	0.75	-	-	-	-	0.00	-	-
Borrowing	107.51	88.45	113.73	156.03	110.10	96.44	146.27	175.31	181.10	144.18
Net change in arrears	-	0.00	0.75	-	-	-	-	-	-	-
Principal falling due	18.67	17.96	10.68	16.82	17.09	20.94	39.23	41.23	40.05	41.84
of which:	-	-	-	-	-	-	-	-	-	-
Debt forgiveness	-	-	-	-	-	8.43	0.38	-	-	-

Source of data: Ministry of Finance, the banking system and the Bank of Albania



CREDIT LINES BY SECTORS in millions of EUR	1997	1998	1999	2000	2001	2002	2003	2004	2005
General Government									
Drawdowns	41.80	79.98	101.52	107.51	101.83	127.55	101.68	103.45	68.57
Principal due	0.26	0.52	4.76	1.78	3.30	11.80	12.61	17.76	20.07
Principal paid	0.26	0.52	4.76	1.78	3.30	10.28	12.61	17.76	20.07
Increase in arrears	-	-	-	-	-	1.53	-	-	-
Interest due	-	-	-	-	-	-	-	-	-
Interest paid	2.49	3.20	3.10	4.89	7.75	6.96	10.57	12.90	12.21
Increase in arrears	2.49	2.73	3.10	4.89	7.75	6.96	10.57	12.90	12.21
Increase in arrears	-	0.47	-	(0.00)	-	-	0.00	-	-
Borrowing	41.80	79.98	101.52	107.51	101.83	127.55	101.68	103.45	68.57
Net change in arrears	-	0.47	-	(0.00)	-	1.53	0.00	-	-
Principal falling due	0.26	0.52	4.79	1.78	3.30	12.23	12.61	17.76	20.07
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Monetary Authority	-	-	-	-	-	-	-	-	-
Drawdowns	13.00	9.69	8.30	21.03	13.40	7.12	0.04	0.01	-
Principal due	-	-	-	8.55	14.88	15.90	9.46	8.69	8.57
Principal paid	-	-	-	8.55	14.88	15.90	9.46	8.69	8.57
Increase in arrears	-	-	-	-	-	-	-	-	-
Interest due	-	-	-	-	-	-	-	-	-
Interest paid	0.24	1.83	1.53	3.14	3.80	0.99	0.95	0.71	0.73
Increase in arrears	0.24	1.83	1.50	3.10	3.80	0.92	0.95	0.71	0.73
Increase in arrears	-	-	0.03	(0.04)	-	0.07	-	-	-
Borrowing	13.00	9.69	8.26	21.03	13.40	7.12	0.04	0.01	-
Net change in arrears	-	-	-	(0.00)	-	-	-	-	-
Principal falling due	-	-	-	8.55	14.88	15.90	9.46	8.69	8.57
	-	-	-	-	-	-	-	-	-

Source of data: Ministry of Finance, Bank of Albania

CAPITAL AND FINANCIAL ACCOUNT in millions of EUR		2005																					
		1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
I. Capital Transfers	3.92	1.87	27.61	63.33	84.84	120.86	128.66	139.34	106.23	99.20	12.25	10.67	12.60	3.07	2.57	8.93	8.65	10.56	5.83	7.18	8.42	8.47	
1. Debt forgiveness	-	-	-	-	-	-	0.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Other	3.92	1.87	27.61	63.33	84.84	120.86	128.19	139.34	106.23	99.20	12.25	10.67	12.60	3.07	2.57	8.93	8.65	10.56	5.83	7.18	8.42	8.47	
II. Financial Account	109.24	193.96	111.11	171.97	216.97	142.95	218.87	179.30	307.05	327.84	(31.01)	26.65	34.74	46.12	28.18	42.75	(3.36)	(24.91)	13.93	48.13	41.70	104.92	
I. Liabilities	222.27	143.41	225.09	293.25	295.09	387.00	284.21	291.03	441.44	349.92	2.10	25.68	35.78	44.99	28.79	52.45	2.19	8.41	18.27	46.25	29.14	55.88	
Ia. Direct investment	72.39	42.09	40.02	38.67	155.22	245.61	143.29	158.06	278.39	212.56	14.68	14.79	15.86	14.96	18.35	17.03	13.30	27.00	12.70	23.00	17.20	23.69	
i. Equity investment	72.39	42.09	40.02	40.33	155.22	245.61	-	-	-	4.09	-	-	-	-	-	-	-	-	-	-	-	4.09	
ii. Other capital	-	-	-	(1.66)	-	-	143.29	158.06	278.39	208.47	14.68	14.79	15.86	14.96	18.35	17.03	13.30	27.00	12.70	23.00	17.20	19.60	
Ib. Borrowing	69.39	58.54	89.90	117.88	108.74	110.21	159.16	128.22	181.10	144.18	7.16	11.36	8.90	20.55	9.24	26.48	4.54	10.80	13.48	10.75	13.09	7.84	
i. Official borrowing	69.39	58.54	89.90	117.88	108.74	110.21	154.53	116.68	116.49	89.81	7.16	11.36	8.65	6.41	4.95	5.93	4.44	4.30	10.98	8.60	9.39	7.66	
ii. Private borrowing	---	---	---	---	---	---	4.63	11.54	64.61	54.37	-	-	0.25	14.13	4.30	20.54	0.10	6.50	2.50	2.16	3.70	0.18	
Ic. Use of Fund credit and loans	-	10.82	7.01	19.59	20.98	13.40	5.60	9.86	9.61	9.42	-	-	4.63	-	-	-	-	4.78	-	-	-	-	-
Id. Repayments	(12.02)	(14.04)	(8.44)	(14.82)	(20.13)	(26.05)	(44.19)	(32.49)	(40.05)	(41.84)	(1.97)	(2.91)	(1.51)	(0.82)	(3.63)	(7.33)	(3.41)	(2.38)	(2.17)	(0.20)	(5.51)	(10.00)	
Ie. Currency and deposits	2.35	0.49	2.70	15.03	5.64	47.00	8.84	17.46	2.11	(29.85)	(3.66)	1.34	(1.85)	4.90	3.74	(0.51)	(12.91)	(26.57)	(4.21)	2.42	3.26	4.18	

1f. Trade credits	20.74	(14.14)	3.56	(2.64)	24.63	(3.14)	7.18	9.82	13.58	8.29	(14.37)	2.85	2.32	0.03	0.06	4.97	(3.92)	2.68	5.87	1.69	0.49	5.62
1g. Change in arrears	0.02	1.11	0.44	(0.00)	0.01	(0.03)	1.60	0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1h. Other liabilities	-	-	-	1.65	-	-	2.73	0.11	(3.30)	47.17	0.26	(1.75)	7.43	5.36	1.02	11.82	4.60	(7.90)	(7.40)	8.58	0.60	24.55
2. Assets	(113.03)	50.55	(113.98)	(121.27)	(78.12)	(244.06)	(6.13)	(111.72)	(134.39)	(22.08)	(33.11)	0.97	(1.04)	1.13	(0.61)	(9.70)	(5.55)	(33.32)	(4.35)	1.88	12.56	49.04
2a. Equity investment	-	-	-	-	-	-	-	-	(11.00)	(3.30)	-	(2.00)	-	-	-	-	-	-	-	(0.50)	-	(0.80)
2b. Portfolio investment	-	-	-	-	(27.18)	(26.14)	(45.65)	(19.96)	4.63	(1.97)	2.87	(22.78)	(22.91)	0.00	(5.33)	(0.12)	9.95	4.91	26.08	(4.55)	9.94	(0.04)
2c. Deposits	(74.01)	50.32	(82.69)	(83.33)	1.61	(61.96)	27.10	(31.46)	(88.12)	52.94	(47.80)	28.38	26.33	(0.96)	10.72	20.04	1.64	(10.16)	(37.53)	15.20	(4.67)	51.76
2d. Currency	(36.19)	3.29	(30.10)	(36.04)	(45.40)	(136.78)	33.76	(31.21)	(15.29)	(1.18)	13.08	(0.42)	(2.15)	4.19	(1.28)	(1.79)	(5.97)	(8.07)	7.62	(8.35)	9.04	(7.11)
2e. Other assets	(2.84)	(3.06)	(1.19)	(1.90)	(7.14)	(19.18)	(21.34)	(29.10)	(24.61)	(68.57)	(1.27)	(2.20)	(2.31)	(2.10)	(4.72)	(27.82)	(11.18)	(20.01)	(0.52)	0.08	(1.75)	5.23
	---	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Reserve assets	(37.74)	(38.79)	(52.67)	(115.97)	(143.18)	(161.69)	(30.35)	(88.45)	(233.66)	(124.84)	(1.46)	(3.94)	(4.26)	(6.12)	0.88	3.87	3.41	(9.79)	(27.32)	(19.15)	(12.71)	(48.25)
1. Gold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Foreign currency	(37.74)	(38.79)	1.37	(96.68)	(139.54)	(152.42)	(37.15)	(87.39)	(229.07)	(191.74)	(1.46)	(4.19)	0.31	(6.12)	0.67	1.67	2.27	(75.26)	(27.32)	(19.15)	(13.27)	(49.88)
3. SDR	-	-	(54.04)	(14.88)	(3.64)	(9.27)	6.80	(1.06)	(4.59)	66.90	-	0.25	(4.58)	0.00	0.21	2.20	1.15	65.47	-	-	0.56	1.63
4. Reserve position in the Fund	-	-	-	(4.41)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source of data: Bank of Albania

INCOME TRANSACTIONS in millions of EUR		2005																				
		1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	January	February	March	April	May	June	July	August	September	October	November
INCOME	57.4	44.0	68.8	70.7	63.8	166.2	134.1	151.2	140.7	125.9	12.4	8.9	6.5	4.5	8.1	7.3	16.0	14.1	13.9	12.6	12.7	8.8
Credit	67.1	54.5	76.5	80.4	72.7	181.2	156.0	172.9	164.0	168.2	14.2	10.7	12.0	11.6	11.3	11.0	19.9	17.0	15.2	14.3	16.2	14.9
Debit	-9.6	-10.5	-7.7	-9.7	-8.8	-15.0	-21.9	-21.7	-23.3	-42.3	-1.8	-1.8	-5.5	-7.2	-3.1	-3.7	-3.8	-2.8	-1.3	-1.7	-3.5	-6.1
Compensation of employees	41.2	29.6	46.1	47.6	72.7	94.1	94.3	94.6	102.6	83.8	5.9	5.9	5.7	5.5	5.5	5.3	9.1	9.1	9.2	7.7	7.4	7.5
Credit	41.2	29.6	46.1	47.6	72.7	94.1	94.3	98.2	106.5	89.125	6.2	6.2	6.2	5.8	5.8	5.8	9.6	9.6	9.6	8.1	8.1	8.1
Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3.7	-3.9	-5.289	-0.2	-0.2	-0.5	-0.3	-0.3	-0.5	-0.5	-0.5	-0.4	-0.4	-0.7	-0.6
Investment income	16.2	14.4	22.7	23.1	-8.8	72.1	39.8	56.7	38.1	42.1	6.5	3.0	0.8	-1.0	2.6	2.0	6.9	5.1	4.7	4.9	5.3	1.3
Credit	25.9	24.9	30.4	32.8	0.0	87.1	61.7	74.7	57.5	79.1	8.1	4.5	5.8	5.8	5.5	5.2	10.3	7.4	5.6	6.1	8.1	6.8
Debit	-9.6	-10.5	-7.7	-9.7	-8.8	-15.0	-21.9	-18.0	-19.4	-37.0	-1.5	-1.5	-5.0	-6.9	-2.8	-3.2	-3.3	-2.3	-0.9	-1.3	-2.8	-5.5
Direct investment income	0.0	0.0	0.0	0.0	0.0	0.0	-0.6	-0.9	-0.2	-1.4	0.0	0.0	0.0	0.0	-0.3	-0.5	-0.6	-0.6	0.0	0.0	0.0	0.6
Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debit	0.0	0.0	0.0	0.0	0.0	0.0	-0.6	-0.9	-0.2	-1.7	0.0	0.0	0.0	0.0	-0.6	-0.6	-0.6	-0.6	0.0	0.0	0.0	0.6
Portfolio investment income	-1.6	-2.0	0.0	0.0	-0.1	3.3	21.5	31.2	21.0	21.5	1.3	1.8	-1.9	-2.1	1.3	2.4	2.4	3.0	3.0	3.2	3.5	3.4
Credit	0.0	0.0	0.0	0.0	0.0	3.3	21.5	27.7	21.0	30.1	1.3	1.8	2.1	2.2	1.4	2.5	2.5	3.1	3.0	3.2	3.6	3.5
Debit	-1.6	-2.0	0.0	0.0	-0.1	-0.1	0.0	0.0	0.0	-8.6	0.0	0.0	-4.0	-4.3	-0.1	0.0	0.0	0.0	0.0	-0.1	0.0	0.0
Interest on reserves	25.9	22.5	30.2	30.6	48.0	74.9	38.5	31.1	25.9	39.3	6.6	2.5	3.3	3.1	3.2	2.3	6.9	3.3	1.5	1.7	3.2	1.9
Credit	25.9	24.9	30.4	32.8	0.0	83.8	40.1	29.4	26.8	40.797	6.6	2.5	3.4	3.2	3.3	2.4	7.0	3.5	1.7	1.8	3.4	1.9
Debit	0.0	-2.4	-0.2	-2.2	0.0	-0.3	-1.6	-1.7	-0.9	-1.543	-0.1	0.0	-0.1	-0.1	-0.1	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	0.0
Other interest income	-8.0	-6.1	-7.6	-7.5	-8.8	-13.2	-19.6	2.5	-8.6	-17.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.6	9.7	7.8	0.1	0.2	0.3	0.4	0.5	0.3	0.8	0.8	0.9	1.1	1.1	1.4
Debit	-8.0	-6.1	-7.6	-7.5	-8.8	-14.7	-19.6	-15.4	-18.4	-25.1	-1.5	-1.5	-0.9	-2.4	-2.1	-2.5	-2.6	-1.5	-0.6	-1.0	-2.6	-5.9

Source of data: Bank of Albania

CURRENT TRANSFERS TRANSACTIONS		2005																						
		1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	January	February	March	April	May	June	July	August	September	October	November	December	
in millions of EUR																								
CURRENT TRANSFERS																								
Credit	449.5	234.4	448.0	331.7	578.6	636.5	650.8	747.5	890.3	896.9	56.7	61.2	64.9	56.4	65.7	57.2	104.2	96.9	99.4	78.3	77.6	78.6		
Debit	478.9	265.6	498.6	503.5	682.7	722.0	713.0	820.5	963.1	1021.8	65.8	68.5	73.6	65.5	78.5	67.9	112.9	106.6	108.3	93.3	88.5	92.3		
Foreign official transfers	-29.4	-31.2	-50.5	-171.8	-104.2	-85.5	-62.1	-73.1	-72.8	-124.9	-9.1	-7.3	-8.8	-9.1	-12.8	-10.7	-8.8	-9.7	-9.0	-15.1	-10.9	-13.7		
Credit	67.0	25.7	73.5	154.9	102.5	31.4	40.6	53.5	60.7	61.4	3.9	3.6	4.3	3.5	3.5	3.2	8.5	5.5	6.8	3.9	8.4	6.3		
Debit	77.4	29.1	78.0	157.5	105.5	36.1	42.4	54.3	60.8	65.3	3.9	3.6	4.3	3.5	3.5	3.2	8.5	5.5	6.8	5.3	9.2	8.1		
Technical assistance	-10.4	-3.4	-4.6	-2.6	-3.0	-4.7	-1.8	-0.8	-0.2	-3.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.3	-0.8	-1.8		
Credit	15.9	1.9	33.3	53.1	15.6	20.3	24.8	44.5	44.9	46.5	3.3	3.3	3.3	2.6	2.6	2.6	5.0	5.0	5.0	4.6	4.6	4.6		
Debit	15.9	1.9	33.3	53.1	15.6	20.3	24.8	44.5	44.9	46.5	3.3	3.3	3.3	2.6	2.6	2.6	5.0	5.0	5.0	4.6	4.6	4.6		
Cash grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Credit	25.4	6.3	5.0	45.1	62.2	0.0	0.8	0.0	0.0	3.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Debit	25.4	6.3	5.0	45.1	62.2	0.0	0.8	0.0	0.0	3.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Goods and other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Credit	25.7	17.5	35.2	56.8	24.6	11.1	14.9	9.0	15.8	11.3	0.6	0.3	0.9	0.9	0.9	0.6	3.5	0.5	1.8	-0.7	0.3	1.7		
Debit	36.2	20.9	39.8	59.4	27.7	15.8	16.7	9.8	16.0	15.2	0.6	0.3	0.9	0.9	0.9	0.6	3.5	0.5	1.8	0.7	1.0	3.5		
Remittances from expatriates	-10.4	-3.4	-4.6	-2.6	-3.0	-4.7	-1.8	-0.8	-0.2	-3.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.3	-0.8	-1.8		
Credit	401.4	236.3	402.1	345.5	576.2	685.7	670.3	690.8	825.4	802.1	55.5	55.5	55.5	52.2	52.2	52.2	86.5	86.5	86.5	73.2	73.2	73.2		
Debit	401.4	236.3	402.1	345.5	576.2	685.7	670.3	690.8	825.5	802.1	55.5	55.5	55.5	52.2	52.2	52.2	86.5	86.5	86.5	73.2	73.2	73.2		
Other	-18.9	-27.6	-27.5	-168.7	-100.1	-80.6	-60.0	3.2	4.2	33.4	-2.7	2.0	5.1	0.7	10.1	1.8	9.2	4.8	6.1	1.1	-4.0	-0.9		
Credit	0.1	0.2	18.5	0.4	1.1	0.2	0.3	75.4	76.8	154.4	6.4	9.3	13.9	9.8	22.9	12.5	17.9	14.6	15.1	14.9	6.1	11.0		
Debit	-19.0	-27.8	-46.0	-169.2	-101.1	-80.8	-60.3	-72.2	-72.6	-121.0	-9.1	-7.3	-8.8	-9.1	-12.8	-10.7	-8.7	-9.7	-9.0	-13.7	-10.1	-11.9		

Source of data: Bank of Albania

EXPORT BY COUNTRIES	2005																						
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	January	February	March	April	May	June	July	August	September	October	November	December	
in millions of EUR																							
European Union	144.1	113.6	170.3	240.8	259.1	311.2	322.9	369.0	436.6	466.7	34.9	36.1	40.9	39.2	37.3	48.4	45.3	25.8	42.6	38.0	38.7	39.6	
Austria	1.8	1.8	2.9	5.3	1.7	0.8	0.7	4.8	1.6	1.2	0.0	0.1	0.1	0.2	0.1	0.1	0.2	0.0	0.3	0.1	0.1	0.1	
Belgium	2.1	0.7	2.7	2.3	1.4	0.5	-	0.1	0.3	0.3	0.0	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
United Kingdom	0.5	0.1	2.2	1.0	0.2	0.2	1.5	0.4	0.2	0.7	0.0	0.2	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	
Denmark	0.5	0.4	0.8	3.1	2.9	0.9	0.2	0.2	0.1	0.2	-	0.0	0.0	0.1	0.0	0.0	-	0.0	-	0.0	0.0	0.0	
Finland	-	-	-	0.0	0.0	0.0	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	
France	3.1	2.6	2.2	2.0	2.1	2.3	2.2	1.9	2.5	3.7	0.4	0.2	0.3	0.3	0.3	0.4	0.3	0.3	0.2	0.4	0.3	0.2	
Germany	11.6	8.8	10.5	16.4	18.6	18.8	19.4	13.5	15.0	17.6	1.4	1.4	1.4	1.4	1.8	1.6	1.5	1.2	1.4	2.0	1.4	1.2	
Greece	21.6	25.7	36.6	37.2	33.6	44.4	45.0	50.8	58.4	55.4	3.6	4.3	7.1	4.7	4.9	5.5	5.2	4.5	4.2	3.6	3.5	4.3	
Ireland	0.1	0.3	-	0.1	-	-	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	
Italy	97.2	66.0	110.5	173.0	197.5	241.9	251.3	296.0	354.6	383.9	29.4	29.7	31.8	32.4	30.1	40.0	37.4	19.1	36.0	31.6	33.1	33.2	
Luxembourg	0.0	0.1	-	-	-	0.1	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Netherlands	5.1	6.2	1.5	0.1	0.2	0.4	0.4	0.4	0.9	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	0.1	0.1	0.0	0.0	
Portugal	0.0	0.0	0.0	-	-	-	-	-	-	0.0	-	-	-	0.0	-	-	-	-	-	-	-	-	
Spain	0.5	0.0	0.2	0.2	0.2	0.3	1.0	0.3	0.5	0.5	0.1	0.1	0.0	0.0	0.0	0.0	0.1	-	0.1	0.0	0.0	0.0	
Sweden	0.0	0.8	0.0	0.0	0.7	0.6	1.1	0.6	2.4	2.4	0.0	0.0	-	0.0	0.0	0.5	0.5	0.4	0.4	-	0.2	0.5	
Region Countries	13.3	10.1	5.7	8.7	13.1	19.4	14.6	15.8	41.2	49.0	2.4	2.0	3.1	4.6	4.9	5.4	4.6	4.5	4.8	4.1	3.7	5.1	
Bulgaria	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.2	1.3	2.9	0.1	0.0	0.2	0.1	0.2	0.4	0.4	0.4	0.3	0.2	0.3	0.3	
Bosnia Herzegovina	-	-	-	-	-	0.0	0.1	0.0	0.3	0.9	-	0.1	0.0	0.0	-	0.0	0.0	0.1	0.2	0.0	0.1	0.2	
Croatia	1.1	5.0	1.1	0.4	1.6	0.1	0.1	0.3	0.3	0.1	-	0.0	-	0.0	0.0	-	0.0	0.0	-	0.0	0.0	0.0	
Former Yugoslavia	2.3	0.5	0.6	3.2	7.6	10.6	5.4	9.3	23.9	26.4	1.0	1.0	1.5	2.4	2.5	2.8	2.7	2.6	2.4	2.3	2.0	3.2	
Macedonia	4.5	3.4	2.8	4.0	1.9	5.2	5.2	2.7	6.0	8.3	0.6	0.5	0.4	0.7	0.9	0.7	0.5	1.0	1.0	0.7	0.7	0.6	
Romania	0.1	0.0	0.2	0.1	0.0	0.0	0.1	0.1	0.2	1.3	0.0	0.0	0.0	0.2	0.2	0.0	0.2	0.0	0.1	0.1	0.1	0.1	
Turkey	5.2	1.2	1.0	1.1	1.9	3.4	3.6	3.3	9.2	9.1	0.6	0.3	1.0	1.2	1.1	1.4	0.7	0.3	0.8	0.6	0.4	0.6	

Source of data: General Directory of Customs. The published statistics are compiled in concordance with the balance of payments methodology framework.

IMPORT BY COUNTRIES	2005																						
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	January	February	March	April	May	June	July	August	September	October	November	December	
in millions of EUR																							
European Union	569.5	476.2	607.7	708.5	907.5	1,161.1	1,215.2	1,286.7	1,190.3	1,258.0	80.3	85.7	92.4	105.2	105.0	121.4	108.5	97.0	114.7	111.0	109.7	127.3	
Austria	8.2	8.1	9.9	16.0	16.7	17.5	24.7	30.9	20.5	35.9	2.7	3.6	3.5	3.2	5.4	2.9	2.5	2.6	3.1	2.4	1.8	2.4	
Belgium	18.0	6.1	7.1	9.6	6.1	10.0	7.2	8.9	14.3	15.9	0.7	0.6	1.1	1.7	1.0	1.9	0.5	0.3	3.2	1.7	1.5	1.7	
Great Britain	10.2	5.2	4.4	9.3	8.2	50.7	44.2	37.2	10.5	18.2	0.6	1.3	1.7	1.7	1.9	1.0	1.2	1.9	1.9	0.9	2.9	1.2	
Denmark	4.2	3.7	3.7	5.0	4.3	2.8	5.0	7.4	4.1	4.0	0.2	0.2	0.3	0.3	0.4	0.5	0.5	0.2	0.4	0.2	0.8	0.2	
Finland	0.2	0.0	0.1	2.3	7.1	28.6	1.8	3.0	3.9	11.4	0.5	0.1	0.1	0.1	0.7	1.3	0.1	7.2	0.1	0.6	0.2	0.5	
France	20.9	7.4	8.1	11.0	17.3	12.5	15.8	19.2	25.7	25.3	2.5	1.1	2.1	2.0	1.4	3.7	2.8	1.5	1.0	2.4	2.0	2.8	
Germany	43.4	24.2	28.2	48.8	59.0	71.6	76.5	102.9	113.8	112.8	5.9	7.3	7.2	8.3	10.5	15.3	8.0	10.7	10.2	9.3	8.8	11.2	
Greece	150.9	150.8	210.5	248.6	330.8	426.7	416.6	399.0	340.9	346.2	23.1	22.5	23.9	26.9	25.7	28.2	31.0	31.2	35.6	29.7	33.6	34.8	
Ireland	0.4	0.5	0.2	0.7	3.1	5.1	4.3	2.3	5.9	8.9	0.5	0.4	0.7	1.2	1.1	0.6	0.5	0.8	0.5	0.5	0.4	1.6	
Italy	302.7	260.3	322.6	331.9	432.7	497.8	581.7	626.2	596.6	610.8	37.5	44.8	47.9	54.2	53.0	59.8	56.9	36.6	51.6	55.4	51.6	61.4	
Luxembourg	0.3	0.0	0.0	0.1	0.2	0.1	0.2	0.2	0.6	0.9	0.0	0.1	0.0	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.0	0.1	
Netherlands	6.7	4.4	6.1	9.2	9.0	10.5	10.7	12.4	13.7	17.7	1.6	1.4	1.2	1.4	0.7	1.2	1.1	1.0	2.3	2.4	1.6	1.6	
Portugal	-	-	0.0	0.2	0.5	0.1	0.8	0.3	1.3	2.1	0.1	0.1	-	0.1	0.0	0.2	0.3	0.1	0.2	0.6	0.1	0.3	
Spain	0.6	3.7	6.6	13.2	12.1	16.4	21.3	31.2	27.7	35.7	4.0	1.1	1.4	2.5	1.8	4.3	2.1	2.3	3.8	3.9	3.7	4.9	
Sweden	2.7	1.6	0.2	2.5	0.5	10.8	4.5	5.6	10.9	12.3	0.4	1.1	1.2	1.4	1.2	0.4	0.9	0.5	0.6	0.9	0.7	2.9	
Region Countries	109.6	58.8	62.9	104.5	151.5	186.5	229.2	240.8	232.3	304.2	17.5	20.2	21.6	25.3	21.6	21.6	24.5	25.9	26.4	33.4	27.0	39.3	
Bulgaria	28.4	16.1	19.6	25.1	29.1	31.9	38.9	47.0	0.9	59.2	3.4	3.1	3.5	6.8	2.9	5.2	7.6	5.0	4.7	6.1	4.2	6.7	
Bosnia Herzegovina	-	0.0	0.1	0.0	0.1	0.1	0.8	1.3	36.9	2.7	0.0	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.5	0.5	0.5	0.4	
Croatia	10.5	2.4	4.4	7.7	13.6	19.9	38.5	28.0	23.8	25.0	1.4	3.4	1.8	2.0	1.3	1.2	1.3	0.9	1.3	2.9	3.1	4.4	
Former Yugoslavia	5.3	1.3	0.9	0.7	11.1	9.5	17.5	10.1	13.4	20.9	0.7	0.6	1.3	1.4	1.4	1.3	2.7	2.8	1.9	2.9	2.1	1.9	
Macedonia	15.6	11.7	10.1	16.4	26.3	19.5	19.3	16.4	19.1	25.8	1.1	1.5	1.8	1.5	1.6	1.8	1.9	2.3	2.9	3.8	2.5	3.2	
Romania	18.1	1.7	3.0	5.9	6.8	14.3	14.3	14.8	8.0	15.3	0.6	1.3	1.1	0.6	1.4	1.3	1.4	1.3	1.0	0.7	0.7	4.0	
Turkey	31.6	25.6	24.9	48.8	64.5	91.3	99.9	123.2	130.1	155.3	10.3	10.1	12.1	13.0	12.9	10.8	9.4	13.5	14.1	16.5	13.8	18.8	

Source of data: General Directory of Customs. The published statistics are compiled in concordance with the balance of payments methodology framework.

Classification of Imports by Broad Economic Categories in millions of EUR	2005														
	2003	2004	2005	January	February	March	April	May	June	July	August	September	October	November	December
Capital Goods	168.26	234.44	273.08	11.19	20.33	18.14	25.06	23.67	30.89	20.00	34.48	16.11	21.39	20.68	31.15
Capital goods (except transport equipment)	135.88	197.05	230.95	8.99	17.88	14.62	21.58	21.09	21.08	17.48	31.92	12.50	18.35	17.19	28.28
Transport equipment, industrial	32.38	37.39	42.13	2.20	2.45	3.52	3.48	2.58	9.81	2.51	2.56	3.62	3.05	3.49	2.87
Intermediate Goods	696.06	827.07	948.08	58.75	59.63	69.44	81.88	77.50	82.69	84.57	74.81	88.30	85.84	87.76	96.93
Food and beverages, primary, mainly for industry	37.14	54.16	52.04	5.17	3.01	3.32	5.87	3.04	3.61	3.14	5.59	6.68	3.41	5.63	3.57
Food and beverages, processed, mainly for industry	27.44	28.19	28.17	1.38	2.53	2.24	2.31	2.61	2.51	1.40	1.15	4.52	3.74	1.68	2.10
Other, primary, mainly for industry	21.97	27.99	32.85	1.62	2.67	2.45	2.29	1.80	1.75	3.19	2.53	3.53	2.86	3.84	4.33
Other, processed, mainly for industry	457.15	554.06	669.03	38.45	41.02	44.95	58.22	54.83	64.04	63.79	54.14	61.19	59.39	65.16	63.88
Fuels and lubricants, primary	1.39	1.35	0.57	0.05	0.01	0.18	0.00	0.04	0.06	0.00	0.05	0.03	0.09	0.00	0.04
Fuels and lubricants, processed	60.19	44.55	37.94	3.48	2.83	3.68	1.70	1.12	1.24	1.06	2.93	1.47	5.23	2.20	11.01
Parts and accessories of capital goods	73.20	93.55	104.40	7.48	5.82	11.28	10.16	12.19	7.73	10.06	5.70	9.31	8.35	6.85	9.48
Parts and accessories of transport equipment	17.58	23.23	23.07	1.13	1.73	1.35	1.33	1.85	1.75	1.92	2.73	1.58	2.77	2.40	2.53
Consumption goods	507.88	601.93	653.19	43.67	48.04	50.37	51.79	53.28	53.85	52.75	48.08	57.44	61.22	59.70	73.00
Food and beverages, primary	51.00	62.03	60.82	5.92	5.83	6.61	5.54	4.50	2.91	2.72	3.44	4.64	5.12	5.42	8.18
Food and beverages, processed	138.40	160.37	174.39	12.46	11.97	13.51	14.38	14.70	15.45	13.80	15.61	16.91	15.09	14.14	16.36
Transport equipment, non-industrial	2.35	3.01	3.28	0.19	0.21	0.22	0.13	0.20	0.29	0.64	0.32	0.34	0.21	0.32	0.20
Durable	37.73	47.14	57.17	2.97	3.58	3.14	3.78	4.40	4.02	4.81	4.45	5.02	6.58	6.52	7.90
Semi-durable	147.75	165.50	169.60	11.18	12.61	12.04	12.26	14.87	14.69	13.49	10.72	13.33	17.71	17.30	19.40
Non-durable	130.65	163.89	187.92	10.95	13.83	14.84	15.70	14.61	16.48	17.28	13.53	17.21	16.52	15.99	20.97
Consumer goods not elsewhere specified	122.05	167.06	209.51	11.24	12.07	11.49	12.06	15.55	19.73	12.26	20.44	24.74	24.73	22.33	22.85
Total	1,494.25	1,830.51	2,083.85	124.85	140.06	149.43	170.79	170.01	187.16	169.57	177.81	186.60	193.18	190.46	223.93

Source of data: General Directory of Customs. The published statistics are compiled in concordance with the balance of payments methodology framework.