



Albania's Foreign Trade Developments during the First Quarter of 2005

For the period of January – March 2005, trade of Albanian goods in international markets maintained its positive trends.

Exports amounted to 159.2 USD million with an increase of 17% as compared to the same period of 2004. While considered with a positive growth, in terms of time dynamics this quarter registered a drop in growth rates as compared to those of the previous year. Speaking about the same comparative period, exports growth rate of 2004 towards 2003 was 26%. This decreasing trend of growth rates was evidenced in almost all categories of the main export commodities, excluding the export of shoe products (footwear).

From an analytical point of view of the structure of exported goods, an increase of 10.4 % (from 47% recorded in 2004 as compared to 2003) has been recorded in the main categories of agricultural and agro-industrial goods as well as in the vegetal products exports (the latter occupies 3.2 of total exports), while exports of prepared foods, beverages and tobacco (3.6% of total exports) increased with 12.7% from a growth rate of 59% registered in 2004 towards 2003. As for the export of industrial products, a growth rate of only 7.8% was marked (from 31.6% in 2004 towards 2003) in the re-exports of clothing industry (occupying 35.8% of total exports). The export of metals (12% of total exports) slightly increased with 11.7% from 58% registered in 2004 towards 2003.

On the other hand, **imports amounted to 545.5 USD million registering an increase of 14%** – the figure is close to the growth rates recorded during the same period of one year ago. In terms of structure, an increase was noticed in all imports categories, except for the unprocessed leather product.

The trade deficit during the first quarter of 2005 amounted to 386 USD million, with an increase of 14% as compared to the same quarter of 2004.

Table 1: Trade imports and exports for the period of January - March 2005

In million of USD

Month	Exports		Imports		Trade Deficit
	Absolute value	% as compared to same period 2004	Absolute value	% as compared to same period 2004	
January	49.97	17%	164.36	15%	114.39
February	50.47	6%	182.72	14%	132.24
March	58.73	26%	198.37	16%	139.64
Quarter	159.17	17%	545.44	15%	386.27

As regards geographic distribution of trade, exports continued to have a higher growth rate in trade with countries of the region - 27.6% as compared to a growth rate of 15% in trade with EU countries. The highest exports growth rate registered in trade with EU countries was with Italy (17.7%), while an increase of 8.3% was recorded in trade with Greece. Exports to Germany reduced with 18% at the same time as imports reduced with 3.7%.

Table 2 : Foreign trade according to countries for the period January-March 2005

In million of USD

Countries	Absolute value	Eksportet		Në vlerë absolute	Importet		Trade deficit
		Share to total	% as compared to same period 2004		Share to total	% as compared to same period 2004	
EU countries	146.67	92.14	15.17	351.43	64.43	10.66	204.76
Germany	5.52	3.47	-18.11	23.72	4.35	-3.69	18.20
Greece	19.63	12.33	8.28	99.79	18.30	6.92	80.16
Italy	119.14	74.85	17.76	178.75	32.77	8.06	59.61
Austria	0.23	0.15	-11.59	12.53	2.30	94.97	12.30
United Kingdom	0.47	0.30	1182.07	4.76	0.87	281.98	4.28
Other EU countries	1.68	1.05		31.89	5.85		30.21
SEE countries	7.68	4.82	27.61	42.71	7.83	42.45	35.03
Kosova	4.21	2.65	22.89	1.24	0.23	62.20	-2.97
Macedonia	1.99	1.25	103.14	7.38	1.35	31.97	5.39
Serbia & Montenegro	0.74	0.46	-8.25	5.97	1.10	-18.05	5.24
Croatia	0.01	0.00	-96.63	8.32	1.53	44.41	8.31
Bulgaria	0.42	0.26	-23.60	15.05	2.76	74.99	14.64
Rumania	0.17	0.11	456.13	4.39	0.80	133.65	4.22
Bosnia and Herzegovina	0.15	0.09	146.23	0.35	0.07	284.41	0.20
USA	1.27	0.79	55.47	4.04	0.74	-39.10	2.78
Turkey	2.57	1.61	103.34	43.18	7.92	25.40	40.61
Other countries	0.99	0.62		104.08	19.08		103.09
TOTAL	159.17	100		545.44	100		386.27

Source: General Directorate of Customs, ACIT

As to trade within the region, our exports to Kosovo boosted with 23% while those to Macedonia doubled. Exports toward other regional countries are still in modest level. Imports from the countries of the region had a more rapid growth rate as compared to exports. Matching up to the same period of 2004, they increased with 42.5%. With an exception in the case of imports from Serbia and Montenegro, imports from all other regional countries experienced a considerable increase, especially those from Bulgaria which is Albania's main market amid regional markets (75% as compared to the same period of the previous year).

Due to the completion of the trade regime of quotas in the context of the Multifiber Agreement, no notable developments occurred in the imports of clothing products. Imports increased at a normal rate, registering respectively 3.6 and 17% for chapter 61 and 62 of the Harmonized System.

Table 3: Trade imports and exports during January - March 2005

Section according to HS	Section Description	Exports (F.O.B)			Imports (C.I.F)			<i>In million of USD</i>
		Value	Share to the total	% increase as same period - 2004	Value	Share to the total	% increase as same period 2004	
1	Live animals: animal origin products	0.71	0.45	184.23	18.66	3.42	24.88	
2	Vegetable products	5.04	3.17	10.43	43.04	7.89	7.04	
3	Animal grease and oils or vegetal and its products...	0.07	0.04	266.32	10.11	1.85	7.28	
4	Prepared food; drinks, alcoholic beverages and vinegars; tobacco and manufactured tobacco substitutes	5.80	3.64	12.71	39.98	7.33	10.07	
5	Mineral products	1.96	1.23	-47.97	57.89	10.61	23.39	
6	Chemical industrial products or alloys	1.05	0.66	165.11	37.38	6.85	13.32	
7	Plastic and its products; tire and its products	0.62	0.39	142.62	17.87	3.28	39.40	
8	Unprocessed and processed leather, coats and their products ...	3.33	2.09	-0.95	12.90	2.37	-15.62	
9	Wood and its products; charcoal; cork and its products ...	2.87	1.80	35.03	6.92	1.27	29.92	
10	Wood or other fiber, cellulose, paper or cartoon materials' dough...	2.92	1.83	114.45	10.43	1.91	18.15	
11	Textile and its products	56.93	35.76	7.79	57.90	10.62	3.74	
12	Footwear and hats, umbrellas and parasols, walking sticks....	47.25	29.68	22.01	16.61	3.05	2.51	
13	Stone, gypsum, cement products...	0.65	0.41	39.79	19.80	3.63	36.09	
14	Natural or cultivated pearls, jewelry...	0.38	0.24	127.67	0.28	0.05	3.71	
15	Main metals and their products	19.11	12.00	11.64	55.26	10.13	36.01	
16	Mechanic, electric machinery and equipment ...	6.61	4.15	118.22	88.68	16.26	15.75	

17	Vehicles	0.35	0.22	1.97	31.38	5.75	4.26
18	Optic, photographic, cinematographic, measuring, control, precision, medical or surgical implements and instruments, watches; musical instruments and equipment	0.29	0.18	84.75	9.38	1.72	20.50
19	Weapons and munitions and their equipment	0.10	0.06	1233.91	0.35	0.06	153.19
20	Different manufactured products	3.15	1.98	39.06	10.59	1.94	6.53
21	Works of art, collection and antics pieces	0.00	0.00	-99.88	0.02	0.00	-10.82
TOTAL:		159.17	100.00		545.44	100	

Source: General Directorate of Customs, ACIT

Table 4: Trade imports and exports of agricultural products during January-March 2005

Chapter according to HS	Chapter description	Exports			Imports			<i>In thousand of USD</i>
		Value	Share to the total	% increase as - 2004	Value	Share to the total	% increase as - 2004	
1	Live animals	0.01	0.00		2.99	0.55	244.11	
2	Meat and edible meat offal	-	0.00			2.21	22.07	
3	Fish and crustaceans, mollusks and other aquatic invertebrates	0.29	0.18	138.10	12.07	0.13	-64.28	
4	Dairy products, birds' eggs, natural honey ...	0.34	0.22	166.73	0.69	0.53	33.07	
5	Animal origin animals not elsewhere specified or included	0.07	0.05	#DIV/0!	2.87	0.01	-56.46	
6	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	0.19	0.12	153.55	0.04	0.17	63.37	
7	Edible vegetables and respective roots and tubers	0.22	0.14	156.38	0.94	1.42	-10.94	
8	Edible fruit and nuts; peel of citrus fruit or melons	0.00	0.00	111.66	7.72	2.72	47.47	
					14.86			

9	Coffee, tea, mate and spices	0.35	0.22	56.17		0.37	16.15
10	Cereals	0.00	0.00	22.23	2.03	2.55	3.20
11	Products of the milling industry; malt; starches; insulin; wheat gluten	0.00	0.00	-98.44	13.92	0.49	-44.45
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruits; industrial or medicinal plants; straw and fodder	4.24	2.66	14.23	2.66	0.16	6.38
13	Lac; gums, resins and other vegetable saps and extracts	0.03	0.02	-85.02	0.90	0.00	-59.27
14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	0.00	0.00	#DIV/0!	0.01	0.00	197.23
15	Animal or vegetable fats and oils ...	0.07	0.04	266.32	10.11	1.85	7.28
16	Preparations of meat, of fish or of crustaceans, mollusks or other aquatic invertebrates	4.66	2.93	30.36	3.21	0.59	217.43
17	Sugars and sugar confectionery	0.00	0.00	-84.71	3.59	0.66	-37.44
18	Cocoa and cocoa preparations	0.01	0.01	#DIV/0!	1.75	0.32	21.94
19	Preparations of cereals, flour, starch or milk; bakers' wares	0.02	0.01	185.89	8.94	1.64	16.56
20	Preparations of vegetables, fruit, nuts or other parts of plants	0.35	0.22	31.46	3.25	0.60	-9.23
21	Miscellaneous edible preparations	-	0.00	-100.00	3.84	0.70	41.44
22	Beverages, alcoholic beverages and vinegar	0.64	0.40	-40.52	5.53	1.01	7.33
23	Residues and waste from the food industries; prepared animal feed	0.03	0.02	-77.85	1.30	0.24	184.55
24	Tobacco and manufactured tobacco substitutes	0.10	0.06	3.55	8.57	1.57	-0.02
TOTAL		11.62	7.30	46.21	112	20.49	17.17

Source: General Directorate of Customs, ACIT