

invest in Albania



# FACTSHEET

# Tourism Sector



## OVERVIEW

Tourism is one of the most important sectors and it generates significant amounts of revenues to the state budget, the entrepreneurial and the sector budget. According to the Economic Impact of Travel and Tourism Report 2022, of the World Travel and Tourism Council (WTTC), during 2021, the tourism sector recorded a direct contribution to GDP of ALL.

321.3 billion, with an overall contribution of 17.4% of the total economy, positioning this sector as one of the main contributors to economic development. In 2021 the tourism sector created 226 100 new jobs which is about 20% of the total employment in Albania. Regarding Visitor Impact, International Visitor Spendings accounted around ALL 255.3 billion which is 43.6% of total exports, while Domestic Visitor Spendings accounted around ALL 62.1 billion.

## WHY INVEST IN TOURISM

Albania has adopted a liberal framework designed to create a favorable investment climate for foreign investors. Special legislation on strategic investments aims to encourage and attract strategic investments. The purpose of the legislature is to attract significant capital investments which are implemented in the economic sectors which are considered as strategic for the development of the country.

The objectives of this legislation are related to the economic development of the country, employment and development of the regions. To this end, the legislation provides strategic investors with incentive and support mechanisms, considering these investments as a priority and guaranteeing a range of measures, services and administrative facilities.

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**FAST FACTS**

- 6% VAT**  
TOURISTIC ACCOMMODATION FACILITIES AND AGROTURISM
- 0% TAX**  
CORPORATE INCOME TAX  
TAX ON IMPACT IN INFRASTRUCTURE  
TAX ON BUILDINGS
- 99 YEAR**  
LEASE OF PUBLIC LAND





## EXEMPTIONS FROM CORPORATE INCOME TAX

Accommodation facilities such as “Four and Five-stars Hotels, with special status” and the holders of an internationally recognized and registered trademark (brand name) are exempted from corporate income tax for a period of 10 years to those structures which receive special status until December 2024 starting from the commencement of activity, but no later than 3 years from the obtaining the special status.



## EXEMPTIONS FROM THE TAX ON IMPACT IN INFRASTRUCTURE

Exemption from the tax of impact on infrastructure for accommodation facilities “Five-star hotels, with special status”, holders of an internationally recognized and registered trademark (brand name). Exempted from the payment of the tax on impact in infrastructure are also the investments of the entities, which carry out hosting activities certified as “agro-tourism”, according to the legislation in force in the field of tourism.



## EXEMPTIONS FROM THE TAX OF BUILDINGS

Excluded from the tax on buildings are the accommodation structures “Hotel / Resort with four and five stars, special status”, as defined in the legislation in the field of tourism and which are holders of an internationally recognized and registered trademark (brand name).

# STRATEGIC INVESTMENT PROCEDURES



TOURISM SECTOR

### STRATEGIC INVESTOR STATUS

PROCEDURES	ASSISTED	SPECIAL
VALUE OF INVESTMENT	≥ 5 000 000 €	≥ 50 000 000 €
NEW JOBS	80	-



## PRIORITY AREAS IN TOURISM DEVELOPMENT

“Development Priority Areas” are regional and/or local areas of local government, which are considered as areas of special importance and need special support in order to develop the economy, enhance employment, improve living conditions and efficient use of public resources and infrastructure. It is envisaged that for these priority areas, the state will take the role of the developer, and also the state will be involved in various forms of partnership.

State-owned real estate or local government units located within these priority areas, within two months of the area's approval, will become under the administration of the ministry of tourism. In case of investment in these areas, it is predicted the disposal of the real estate for building accommodation facilities and other tourism structures. The timeline of the availability of this real estate is up to 99 years.

### The map of the Priority Areas in Tourism Development:

4 national tourist destinations will be consolidated: **Albanian Alps, New South, Ports and Marinas, and Tirana.**

- Albanian Alps - A destination based on hiking (trekking), which is related to nature, activity and sports tourism.
- South coast line and combination with mountains. The new airport in the south will bring a significant improvement.
- Marinas and ports have a high potential for attracting foreign tourists. Considering that entry from the sea has increased in Albania, there are opportunities to develop 6 new port points with a high level of utilization.
- Tirana will continue to improve in infrastructure to become an attractive center for regional business events and weekend visitors, but also a cultural and tourist center



## BUSINESS ACTIVITIES IN TOURISM SECTOR



The added value of tourism industries has increased by **36.9%**, compared to 2020. The share of industries directly related to tourism in the Gross Domestic Product (GDP) for 2021 is **3.1%**.



In 2021, **1,457** accommodation structures (hotels, motels, camps, guesthouses, mountain shelters and other structures for short-term stays) were operating throughout the country and about **41,000** rooms and about **98,000** beds were made available.



During 2021, a total of **33** building permits for hotel construction were approved, from **23 permits** approved in 2020.



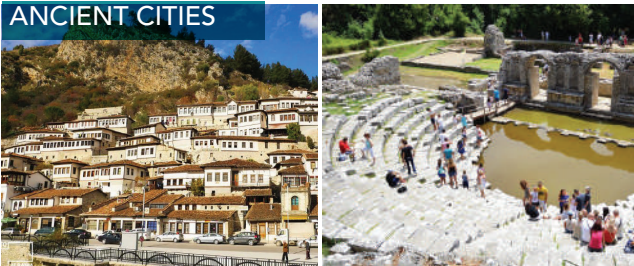
According to data published by the Ministry of Tourism and Environment, 222 tour operators and 621 travel agencies with different distribution in the regions, with most of them concentrated in Tirana, are licensed in the country.



In Albania, based on the legal framework, the Ministry of Tourism and Environment has certified approximately **280** National Guides, 76 local guides and 42 special guides

## ATTRACTIONS

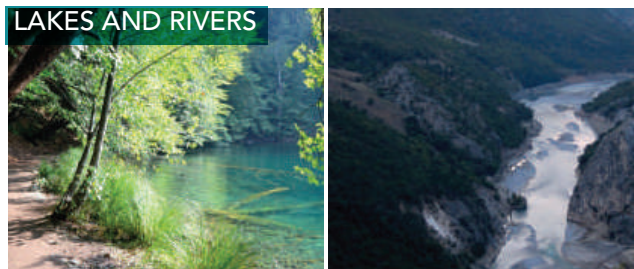
ANCIENT CITIES



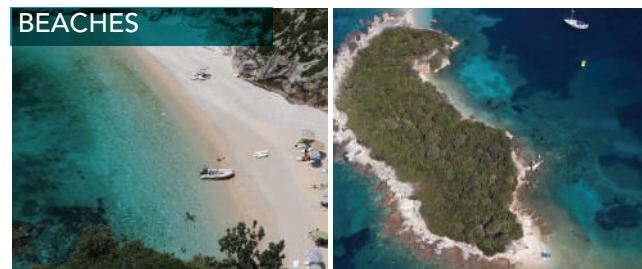
NATIONAL PARKS



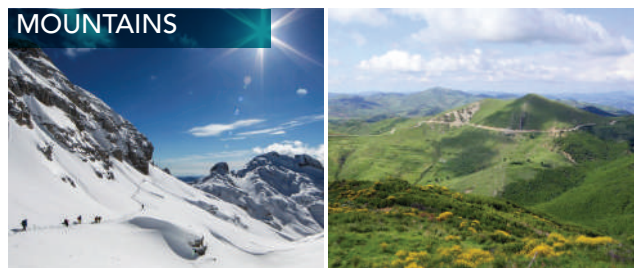
LAKES AND RIVERS



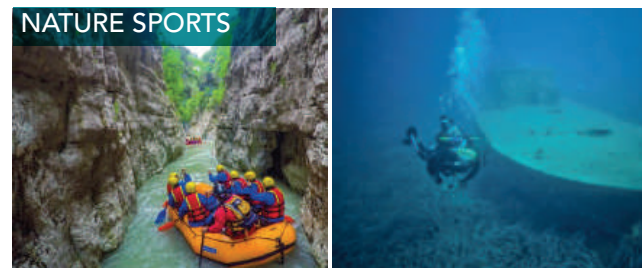
BEACHES



MOUNTAINS



NATURE SPORTS





# AIDA

ALBANIAN INVESTMENT DEVELOPMENT AGENCY

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