BASHKIA TIRANË

WHY TO INVEST AT

TEDA TIRANA

FREE ECONOMIC ZONE

"TECHNOLOGICAL ECONOMIC DEVELOPMENT AREA" ESTABLISHED BY MUNICIPALITY OF TIRANA

TIRANA CITY PROFILE

Tirana, the capital of Albania flourishing with enormous steps. It has 919, 511 inhabitants and an average age of 32. The Literacy rate for adults is 96.85%.
The economy of Tirana Metropolitan Area benefits considerably from the concentration of the largest universities and schools of all levels and types in the country and also numerous research and scientific institutes, including the Academy of Sciences with its 13 institutes and the scientific research centers. Tirana has about 180 educational institutions among which there are: Medicine, Law, Economic Science, Engineering Science, Social Science. The Literacy rate for Youth is 98.7% (INSTAT,2011) Tirana currently accommodates up to 100,000 students at levels 5 and 6 (undergraduate and postgraduate), gaining not only a vibrant, young population from all over Albania and neighborhood countries, but also a relatively well-educated labor force as many of the students stay afterwards in Tirana.

COMPETITIVE HUMAN CAPITAL

- 57% of Albania's population is under the age of 35;
- The average wage in Albania is the most competitive in the region while the minimum wage is the lowest in the region;
- Albania has over 1 million well-educated, highly motivated professionals;
- English, Italian and Greek are all widely spoken while French and German are included in education curricula at school;
- Each year, more than 100,000 students enroll at university.

WHY TO INVEST IN **TIRANA**

ADVANTAGES:

- The accumulation and concentration of a wide variety of urban economic activity in the Municipality of Tirana.
- Relatively high economic growth.
- Well-developed Infrastructural network, made of rings and radial roads.
- Tirana as part of the Pan European Corridor VIII.
- Considerable potential to be a future unique urban center in the Balkans, thus to attract tourists and investors from the EU countries.
- Availability of well-educated labor force.
- Cultural, Social and scientific relations with the Albanian population in the neighboring countries and a high level of integration with the close EU countries such as Greece and Italy.
- Relatively homogenous and involving society, and poverty indicators rapidly decreasing
- Well developed International Accessibility.

OPPORTUNITIES:

- Spatial potential in rise, in order to attract new investment opportunities outside the main ring of the city.
- Increase in population within and outside the city, activating this way the urban economy.
- Close connection to the Durres Port and the existence of an efficient operative port for future developments.
- Inflow of labor with professional and entrepreneurial skills and the accumulation of capital and assets in productive sectors.
- New investment opportunities, including industries that are located outside the city ring and better management of the territory
- Positive effects in terms of efficiency and economy of scale in managing the city and applying the decentralization reform.
- Intensive cooperation with the Municipality of Durres for full utilization of the transportation modes and the capitalization of a common economy.

WHY TO INVEST IN **TEDA TIRANA**

- The **rent** for open plots (greenfield) at TEDA Tirana is **APX 0.97 EUR/m2.**
- From the moment goods enter Albania, they are exempted from **custom duties and VAT**;
- Albanian goods that enter TEDA are exempted from **VAT taxation**;
- Goods can be transported from one TEDA to another without paying custom duties or VAT;
- Capital expenses are **120 percent** deductible during a period of **2 years** if developers and users invest in TEDA within three years of its operation;
- Developers and users are also exempted from **50 percent** of the **profit tax rate** (currently at a rate of 15 percent) for a period of **5 years**;
- A developer's project **is exempted** from **infrastructuretaxes**;
- Buildings in TEDA are exempted from **real estate taxes** for a period of **5 years**;
- Buildings transferred to the TEDA are not subject to the **transfer tax on real estate**;
- Wages and social costs are **150 percent** deductible for the first year, and new expenses for wages and social costs compared to the previous year are **150 percent** deductible for the sub sequent years
- Training costs are doubly deductible for a period of **10 years**.
- Research and Development costs are doubly deductible for a period of **10 years**.
- Having the offices of the licenses, tax offices, customs, employment, etc. **at the same area**.
- Law for TEDA-s, which is one of the most positive changes in the **economic legal framework**, aiming at making technological, economic areas and potential businesses available.
- The municipality of Tirana will not simply be the owner of the asset, but will serve as **a partner for intermediation** between the **government and the private sector.**
- The possibility to **license** a privately-operated public **transport line.**
- Tirana, as a city among the ten sunniest countries in Europe, has an estimated **260 sunny days/ year** thus representing a great potentials for **renewable energy.**
- Based on the **electricity price** approved by government of **1.24 EUR kw/h**, it results that the annual expenses for electricity will be of the lowest in the region.
- Based on the price approved by government **the price of drinking water is 1.55 EUR/m3**
- The lease of greenfield has a term of up to **30 years,** with the possibility of extending the contract up to **99 years.**
- There is the possibility of financial amortization for building investments, in the end of the lease the ownership remains in the Municipality of Tirana.

TEDA TIRANA

The Technological and Economic Development Zone in the "Kashar Administrative Unit". This Administrative Unit serves as a strategic node on the Tirana-Durres highway and has an economic potential for development. While the region Tirana - Durres is a key component of the national economy and includes about 8.4% of the territory and about 37% of the country's population. It is the region with the highest population density in the country. The social capital in the Tirana-Durres economic zone represents a potential advantage to support the productive restructuring the region's economy, as the main driver of the increase in the productivity of the national economy.
"TEDA TIRANA" is about **35 hectares** with the possibility of expansion up to **150 hectares**. The surface area is sufficient for the installation of the necessary project infrastructure.

THE AREA IS SITUATED:

- **3 km** away from the city of Tirana.
- **30 km** away from Durres. TEDA Tirana gains access from the Port of Durrës (32 km distance) and the main gate of Corridor VIII.
- **12 km** from Tirana International Airport (TIA).

REPUBLIKA E SHQIPËRISË

TEDA TIRANË SH.P.K.

No. 203 Prot. Tirana, dated on 20. 12.2024

Subject: Invitation for collaboration with TEDA TIRANA.

EMBASSY OF THE REPUBLIC OF TURKIYE
Rr. Elbasanit, Nr. 65, Tirana, Albania

Dear Excellency,

TEDA TIRANA, established by the Municipality of Tirana, is located in Kashar, Tirana, it is a new area designated and destined as a technology research and development industrial zone, that will help economic growth and incentivize foreign companies to transfer they activities inside TEDA. With a surface of 35 hectares, we aim to invite and bring in Tirana foreign direct investments, expanding the range of industries operating in the Albanian market, with a focus on Technology and Information Industry (ICT), Automotive Industry, Electronics Industry, Pharmaceutical Industry, Agro-processing Industry, Manufacturing Industry and more.

Furthermore, TEDA TIRANA is a new opportunity for all investors to operate in this special zone, and to profit from all the fiscal incentives dedicated only for these areas.

TEDA's strategic goal is not only to boost the economy but also to establish strong partnerships with foreign investors and international collaborators, offering an attractive investment climate with specialized infrastructure, tax incentives, and a favorable legal framework, TEDA TIRANA is committed to facilitating long-term cooperation with foreign embassies, foreign bodies, foreign companies and promoting Albania's integration into global markets. Through these efforts, TEDA aims to stimulate economic activity, create new job opportunities, and contribute to Albania's broader economic development and strengthening diplomatic relations between our counties.

With this first letter of ours, we hope to embark a great journey of collaboration and we wish you a great holiday season.

Best Regards,

C.E.O

DRITAN DELLIA

REPUBLIKA E SHQIPËRISË - TEDA TIRANË SH.P.K. - BASHKIA TIRANË