

Name of the Mission (Country): Embassy of India in Bucharest-ROMANIA

I. MONTHLY REPORT – November 2022

A. Trade in goods

a) Total trade in goods during

0	1	2	0	2	1	-	1	2	2	0	2	1
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	Export (US\$ million)	Import (US\$ million)	Status (P) Provisional/ (F) Final
Romania's trade with India(Jan to Dec)	\$263.08mn	\$592.74	F
Romania's total global trade (Govt of Romania)	\$88.37bn	\$116.40bn	F

Min of Commerce, GOI

b) Preferential trade in goods during

0	1	2	0	2	1	-	1	2	2	0	2	1
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S.No.	Preferential / Free Trade Agreement with India	Preferential Imports from India (US\$ million)	Preferential Imports from World (US\$ million)
1	N/A		

S.No.	Preferential / Free Trade Agreement with India	Preferential Exports to India (US\$ million)	Preferential Exports to World (US\$ million)
1	N/A		

a. Top 5 principal commodities of exports (2020-21)[Jan 2021 to Dec 2021] As per Romanian Figure India's export to Romania was US\$637.12MN

Flat-rolled products of iron or non-alloy steel, Plat and accessories of the motor vehicles, Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes, engineering goods, medicines and petroleum products.

S.No.	Commodity (Romanian figures)	Value (US\$ million)	% share in total import of the commodity
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1	Different Machines	137.27	21.5%
2	Metals and ores	136.11	21.36%
3	Chemical & Pharmaceutical products (HS 3002, 3005, 2006)	57.55	9.03%
4	Mineral products	81.066	12.72%
5	Plastic and plastic articles, rubber	49.45	7.76%
6	Textiles	42.24	6.62%
7	Stones, cement, plaster, ceramics	44.22	6.94%
8.	Vehicles, aircrafts, vessels, auxiliary tpt equipment HS 8780	34.24	5.53%
8	Food, beverages, liquid, tobacco	18.09	2.83%
9.	Leather and products	6.64	1.04%

b. Top 5 principal commodities of imports (2021-22) [Jan 2021-Dec 2021] As per Romanian figure, India's import in 2021 was US\$ 272.29mn

Engineering goods, petroleum products, electric goods, sunflower seeds, motor vehicle parts etc.

S.No.	Commodity (Romanian figures)	Value (US\$ million)	% share in total import of the commodity
1.	Different machines	155.95	57.27%
2.	Optical instruments and devices	22.67	8.32%

3	Mineral products	26.18	9.61%
4.	Metals	18.75	6.88%
5.	Plastics and plastics article, rubber	15.33	5.63%
6.	Wood, Charcoal and wood articles	8.60	3.15%
7.	Animal and vegetable fat and sunflower oil	10.32	3.7%
8.	Textiles	6.21	2.28%
9.	Parts and accessories of the motor vehicles of headings	4.58	1.68%
10.	Chemical products	2.045	0.75%

a) Potential products of imports from India

S.No	Commodity (04 or 02 digit HS tariff line) (Romanian figures) Romania use 4 or 2 digit HS Code	Rationale (Max.200 words)
1.	Machinery/mechanical appliances; electrical equipment; parts; sound recorders/reproducers tv image sound recorders/reproducers parts/accessories (HS 8500)	These are the top 10 items/products that Romania imported from the world. Some of the items/products appears in the bilateral trade with very less volume. Therefore, it is proposed to target these products to increase the export from India.
2.	Electrical machinery and equipment and parts thereof; sound recorders and reproducers television recorders and reproducers parts and accessories (HS 85)	
3.	Nuclear reactors boilers machinery and mechanical appliances; parts thereof (HS 84)	
4.	Vehicle's aircraft vessels and associated transport equipment (HS 86-89)	
5.	Base metals and articles of base metal (HS 72-83)	
6.	Vehicles (other than railway or tramway rolling stock) and parts and accessories thereof (HS 87)	
7.	Products of the chemical industry (HS 3818)	
8.	Mineral products (HS 6815)	
9.	Mineral fuels and mineral oils; bituminous substances(HS 27)	
10.	Plastics rubber and articles thereof (HS 39)	

B.

QUALITATIVE

Month

0	1	2	0	2	1	-	1	2	2	0	2	1
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1. Market Access Alerts :

Romania is a part of EU and follows the EU regulations on trade. The notifications of DGTEC in Brussels investigations based on complaints of the specific industries in various EU countries and the status of the current measures/investigations on India can be accessed on the links:

- EU tariff : <https://madb.europa.eu/madb/euTariffs.htm>;
- TBT: <http://trade.ec.europa.eu/tdi/completed.cfm> ;
- <http://ec.europa.eu/growth/tools-databases/tbt/en/>

Romania complies with all the EU regulations in the field of economy and trade. All the tariffs apply to all the products entering the commercial circuit of the EU single market.

Romanian implemented, new EU Regulation (EU) 2021/2246 of 15 December 2021, specifying that a health certificate is required for health supplementary products which contains plants substances (Ayurvedic medicines), document which needs to be issued by a competent authority, currently Export Inspection Agency, entity under Government, before shipment's departure. The new Regulation 2021/2246 came in force in Romania on 6th of January, 2022.

RO e-Transport system In order to increase the level of collection of taxes and duties due to the state budget, as well as preventing and combating illicit trade in goods with a high fiscal risk, The Romanian Ministry of Finance has decided to implement the RO e-Transport system as of 1 July 2022 but the obligation was postponed to 1 October 2022.

The Ministry of Finance mentioned high fiscal risk goods with assigned CN codes. In short, such goods fall into the following categories: vegetables, fruits, nuts, alcoholic beverages, mineral products (natural mineral water, sand and gravel), clothing and footwear. Failure to comply with these provisions may be punished by a fine of between EUR 1,000 and EUR 20,000.

Regarding the import of fertilizers : Emergency ordinance no. 121/2022 regarding the establishment of measures to make available on the market some fertilizer products and for the amendment of Law no. 232/2010 regarding the import regime of fertilizer samples and fertilizers.

Considering the obligations of Romania, as a member state of the European Union, to comply with the provisions of the European Union legislation for the authorization of fertilizers in order to be included in the list of authorized fertilizers, with the mention RO-Fertilizer, for use and marketing in Romania. In order to ensure at national level the legal framework in accordance with the notification requirements of the conformity assessment bodies for fertilizer products in Romania, according to Regulation (EU) 2019/1009 of the European Parliament and of the Council which allow the transmission of information by the Ministry of Agriculture and Rural Development to the European Commission, in an interoperable and automatic way, the registration of tested and authorized fertilizer

products in the European Union; the fertilizer products authorized in the pedoclimatic conditions in Romania.

a. Alerts on customs tariff changes: -

S.No	Notification no. and date	HS code	Description	Original customs tariff	Present customs tariff	Effective from	Remarks if any
1.	Notification 01/ 01 July 2021		Starting 1 July 2021, goods imported into the EU is subjected to VAT. Exception: non-commercial items from one private person to another, with a value not exceeding EUR 45.	Legislative amendments on low value shipments take into account the fact that from 1 July 2021, VAT must be collected on all imports.			
				Thus, new rules are introduced in the field of electronic commerce for the declaration of goods and the payment of VAT and the exemption from import VAT for goods in consignments not exceeding 10 Euro is eliminated.			

- b. Alerts on non-tariff measures (SPS/TBT/ import and export procedures/ restrictions/ prohibitions, licensing/ STEs etc.)

S.No	Notification no./ date	Measure	HS Codes	Effective from	Remarks if any
1.		Romania complies to the regulations in the field. All the tariffs apply to all the products entering the commercial circuit of the EU single market.			

- c. Alerts on standards, technical regulations and conformity assessment procedures:

S.No.	Notification no./ date	Standard/ technical regulation/ conformity assessment procedure	HS Codes	Effective from	Remarks if any
1.	January 1, 2023	Starting with January 1, 2023, the non-banking financial institutions will keep the accounting records in accordance with the treatments provided by IFRS, the provisions of the NBR Order no. 6/2015 ceasing its applicability regarding non-banking			

		financial institutions. At the same time, starting with January 1, 2023, non-banking financial institutions will prepare and publish individual annual financial statements in accordance with IFRS;			
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- d. Alerts on trade defense measures taken by respective country:
(Safeguards including special safeguard, antidumping, CVD or anti- subsidy)

S. No.	Notification no. date or other references	Type (initiation, final, prov., sunset, consultations, new shipper review)	Details of products/ sectors affected (including HS codes)	Effective from	Remarks if any
1.		Referral received from a metal pipes importer, that stopped making trade with the Indian supplier because of the antidumping tax(72%)			The matter was resolved and till date we have received any complain.

- e. Alert on services, regulatory regime, qualification requirement, licensing procedures, visa regime, barriers etc.

S.No .	Notification no., and date or other references	Service sectors affected	Modes	Effective from	Remarks if any
1.	Emergency	Public	Following the	May 31,	The

	decree no. 25 of May 31, 2021	Romanian tenders	mentioned Emergency decree, the National Agency for Public Procurement informed that non-EU individuals or companies can participate anymore to Romanian public tenders.	2021	current situation can only be modified by another Emergency decree.
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2. Feedback

- a. Feedback from major Indian industries/other commercial concerns and Indian trade visitors to that country

S.No.	Name of business house	Activity sector	Trade barrier issues if any (incl. HS codes)	General Feedback (Max.200 words)
1.	The Commercial Wing receives monthly positive feedback from Indian companies requesting our assistance, services and data. Sometimes also receives requests for companies dealing with specific kind of products.			

- b. Feedback on major trade activities including logistic events (trade fairs/BSM including Indian participation)

Indian Embassy is attending to all the invitation received from business chambers and other organizations.

S.No.	Activity (trade fair, BSM etc.)	Date and venue	Number of participants from India	Name(s) of large/ key participants from India	Feedback received (Max.200 words)	Source of funding (MAI, TA/TC)
1.	In order to increase the visibility of Indian products in Romania and information about commercial and investment opportunities, our Embassy started a campaign to promote advertisements in print media and online. Weekly campaign which, both in print newspaper and online, is published in different regions of				The present publications, Info Construct and Info Ferma magazines, the regional newspapers Monitorul de Cluj, Tribuna Sibiu and Buna Ziua Brasov.	

2.	the country. Campaign advertisements with Indian products on a mobile advertising platform.	November - April			The Indian Embassy in Bucharest has started a five-month campaign that will display advertisements with Indian products on a mobile advertising platform with an area of 5 meters long and 2.5 meters high. The platform is located in public places/parking lots, different areas with traffic, where there is good visibility in Bucharest.	
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- c. Feedback from local commercial visitors to trade fairs in India, including under BSM; number of Business Visas issued:

In November 2022, 41 business visas were issued to Romanian nationals.

No business delegation from Romania visited India from Jan to June 2022. In July four member Romanian delegation attended the Silk Fair India, in September 2022, a two member pharma delegation attended the Iphex-22 in India.

S.No	Activity (trade fair)	Date and venue	Number of participants from the relevant country	List of large/ key participants from the relevant country	Number of Business Visas issued	Feedback received (Max.200 words)
1.	Mission is disseminating the Indian trade fairs, trade events,					

	etc through the local Chambers of Commerce & the local organizations and trade and business facilitators focusing on India.					
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3. Trade and Investment:

- a. Significant trends in trade and investment (Sources: Romanian National Institute of Statistics)

S.No.	Category	Details of significant trends (Max.200 words)	Analysis (Max. 200 words)
1.	Trade in Goods	<p>Indian Exports to Romania: India's export to Romania picked up the pace and reached a level of US\$592.74 in 2021-22, from US \$ 371.84 Million during 2020-21.</p> <p>The Romanian Export to India was \$263.08mn in 2021-22, in comparison to \$193.97mn in 2020-21.</p> <p>In spite of geo-political crisis in recent times in the month of April to October 2022, India's export to Romania was US\$ 462.46mn, and import from Romania from April to July 2022 was US\$99mn.</p> <p>India's service export to Romania is not significant, but Indian IT companies</p>	
2.	Trade in Services		
3.	Investment		

		are present in Romania and established their offices here. In 2022, HCL a plan to expand their office in Romania, they have already started the process. Last year no big Indian investment in Romania has been reported. There is a possibility of Indian construction companies in partnership with Romanian companies apply for contract in construction projects that are coming up under EU Funding.	
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b. Opportunities for investments/ assets on offer/major company divestment:

S.No.	Sector Name (List attached)	Particulars of the asset /company	Contact details
1.	Indian companies can invest in Romania or become business partners with Romanian companies. Indian Companies can use the benefit of Romanian State Investment Fund for expanding their business or setting up new business venture in Romania.		

c. Information on tender Notices for projects and procurements of interest to Indian project exporters/ suppliers (USD15 million & above)

S. No.	Tender/ procurement notice No and date	Sector	Value of tender/ procurement
1.	Reference to Section B. 1. (e)		NA

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d. Trade Queries for Imports/ Exports (if not uploaded on the Indian trade portal)

S. No.	Enquiry Originator	Product with Hs Codes	Nature (Import / Export)	Value (US\$ Million)	Action Taken (Max.200 Words)
1	Tiyasha Import and Export Private Limited	Rice	Export	Na	Answered
2	Arians Xports	Food products, spices and dry fruits	Export	Na	Answered
3	Shreekant G. Kadam	Vegetables and Fruits	Export	Na	Answered
4	Global Supply	Guar Gum	Export	Na	Answered
5	Mighty Steps	Organic baby food products	Export	Na	Answered
6	SELEMON INTERNATIONAL	Pulses,Spices And Pickles,Home made Namkeen,Frozen Foods,SS Hardware And Imitation Jewellery	Export	Na	Answered
7	Streamflowexims	Rice	Export	Na	Answered
8	PERFECT ENGINEERING ENTERPRISES	Premium spices	Export	Na	Answered
9	Lukhi Harshil	Agrochemicals	Export	Na	Answered
10	SKY Export Huse	Tea	Export	Na	Answered
11	Om Exim	Rice	Export	Na	Answered
12	EXIM Kings	Black Tea	Export	Na	Answered
13	Veerankav Venture	Rice Fresh Fruits), Fresh Vegetables, Fish, Iron & Steel and Building Materials	Export	Na	Answered

14	A BVP ENTERPRISE	Indian Agro product	Export	Na	Answered
15	Glowken Private Limited	Natural/agricultural commodities	Export	Na	Answered
16	Consulting Engineers Group	Engineering consultancy solutions in infrastructure development and management	Export	Na	Answered
17	Mahseer Product Private Limited	Builders hardware, Plastic Moulded Components, Die casted components	Export	Na	Answered
18	SIMERO CERAMIC COMPANY	PORCELAIN VITRIFIED FLOOR TILES	Export	Na	Answered
19	Shree Dhwarkadhish Engineering	High Tensile, Stainless Steel, Mild Steel, Alloy Steel and Special Grade Fasteners	Export	Na	Answered
20	Rey International	Glazed ceramic tiles and vitrified tiles	Export	Na	Answered
21	Stack Export	Iron and steel Product	Export	Na	Answered
22	Blue Hoop	Ceramic Tiles products	Export	Na	Answered
23	VEMO CERAMICA	Ceramic Glazed Tiles	Export	Na	Answered
24	Unico tiles pvt ltd	Ceramic Tiles	Export	Na	Answered
25	M/s Swellco Ceramic	range of tiles using Spanish Inkjet Technology	Export	Na	Answered
26	ORGANEXS	Ceramic tiles and sanitaryware	Export	Na	Answered
27	VEMO CERAMICA	Porcelain Glazed Tiles SS SINKS & Sanitary ware	Export	Na	Answered
28	Unico tiles pvt ltd	Construction material	Export	Na	Answered
29	Range Group	World class ceramic tiles	Export	Na	Answered

30	Lavish Ceramics	Ceramic tile manufacturers	Export	Na	Answered
31	Cera Sanitaryware Limited	Wall and Floor Tile	Export	Na	Answered
32	RMC READYMIX PORSELANO	Ceramic / Porcelain ,Tiles	Export	Na	Answered
33	SRANS Lifecare Private Limited	Pine wood scra	Export	Na	Answered
34	RUSAN PHARMA LIMITED	GALVANISED STEEL COILS	Export	Na	Answered
35	VIKAS EXPORTS	Nut, Bolt, screws, Washers	Export	Na	Answered
36	Nutritual Pharma	Supplier and Exporter of Tarpaulins, Column and Casing Pipes, PP Fittings, Hoses.	Export	Na	Answered
37	ECOVETA MULTI SERVICES OPC PVT LTD	Quality Granites Stones	Export	Na	Answered
38	SRKEXIM	Textile Fabrics and Handicrafts	Export	Na	Answered
39	Fashionite Impex	Fashion Garments & Accessories	Export	Na	Answered
40	POWERTRAC INDUSTRIES LIMITED	Chemical Earthing, Lightning Protection System & Solar PV	Export	Na	Answered
41	SHREEJI EARTHMOVERS EQUIPMENT	Asphalt Mixing Plant	Export	Na	Answered
42	SUFIYA CARPET	Machine-made and hand-made carpets	Export	Na	Answered
43	WIPRO Infrastructure Engineering	Automotive, Power and Engineering Equipment	Export	Na	Answered
44	M/S MOHD YASEEN AND SONS	Machine-made and hand-made carpets	Export	Na	Answered

45	Radix Power Solutions	Lead Acid Tubular Battery & Automotive battery	Export	Na	Answered
46	Eastman International	Agricultural parts Tractor Linkage parts, Trailer parts, harvesting parts, Cultivator	Export	Na	Answered
47	Aamivi import Export	Machinery	Export	Na	Answered
48	MADHURI ENGINEERING WORKS.	Moulded Components such as INSULATORS,BUS BAR SUPPORTS,POLE BOXES	Export	Na	Answered
49	OM SHANTI TEXTILES	Imitation Jewellery	Export	Na	Answered
50	Abhitech EnergyCon Limited	Additive catalyst	Export	Na	Answered
51	K V HANDICRAFT	BRASS ARTICLES	Export	Na	Answered
52	Shavi Gupta VMInc	Cables & Wires	Export	Na	Answered
53	Texmaco Rail & Engineering Ltd.	Railway Wagons	Export	Na	Answered
54	ALLMARK	Railing manufacturers	Export	Na	Answered
55	Vivarta International	hand carved luxurious Masala Incense Sticks	Export	Na	Answered
56	The HIND FOREDECK	Soap	Export	Na	Answered
57	Japeza Garage	Conceptual bicycle manufacturer	Export	Na	Answered
58	DBV Exports	Handicraft, Home Décor Items & Wooden Furniture	Export	Na	Answered

59	Sleephill Sleep Wellness Products Pvt. Ltd	Foam	Export	Na	Answered
60.	The Vibrant Export	Tobacco Products	Export	Na	Answered
61.	Oncoast Overseas	Tobacco			

4. Important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc. / Significant stories/features on India related trade, investment, services and logistic sector, published in foreign journals/dailies, etc.:
(Max. 500 words)

Embassy of India publishes news articles on business opportunities of India in Romanian online newspapers and also publishes newsletter every week.

5. Details of trade research, information dissemination activity of the commercial wing

Commercial Wing of Embassy publishes weekly newsletter containing important trade news from India as well as market new of Romania.

S.No.	Nature of activity (trade research, information dissemination, seminars etc) (Max.200 words)	Details of Seminar/ conference (date/ venue, no of participants) or research (Max.200 words)	Details of trade research (title of the report, executive summary, date of publication) (Max.200 words)
1	Disseminated information	Disseminating and promoting the events/ commercial information with local businessmen, associations, councils and commercial chambers of Romania and also distributing the information on the online communication channels of the Embassy.	
2	Meeting	Ambassador's meeting with Mr. Nikkhil Manshramani, Managing	

		Partner, ABC International. Ambassador's meeting with Mr. Ajay Aggarwal - President for Europe GFG Alliance / Liberty Steel Group. Ambassador's meeting with Mr. Didi Dumitru, Romanian businessman.	
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6. Details of activities conducted out of Trade promotion budget:

BE for current financial year	RE for current financial year	Amount utilised	Details of Activity (Max.200 words)
Rs.20 Lakhs		14,24,735/- till Nov 2022	Publication Commercial Articles, exhibitions, advertisement campaigns etc.

7. Action taken on the previous JWG's, Joint Commissions, Sub-Commissions etc. (issues that Mission had to follow up with host government):

S.No.	Detail of JWG/JEC with date and venue	Action Point (Max. 200 word)	Action Taken (Max. 200 words)
1	18 th Session of India-Romania JEC was held in New Delhi on 07 May, 2017.	Next JEC to take place in Romania.	

8. Complaints from foreign buyer/supplier on quality and trade dispute:

Name of Foreign buyer/supplier	Address & contact details of foreign buyer/supplier	Name & address of Indian exporter/importer	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.
HSH Chemie,	Bucharest	Gayatri Global	HSH Chemie	

Romania		Indore	that they have paid an amount of US\$11,766/- on 8/11/2021 for supplying Soy lecithin Liquid to Gayatri Global. Company has not supplied the products	Embassy has established contact with the Indian company and trying to solve the issue. Indian company is requesting for more time from the Romanian company.

9. Complaints of Indian exporter/importer:

Name of Indian exporter/importer	Address & address of foreign buyer/supplier	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.	Any outcome

10. Any other issue of importance

Real Estate The real estate and construction sector in Romania has attracted FDI of around 12 billion euros in the last ten years

The real estate and construction sector has attracted around 12 billion euros of foreign direct investments (FDI) in the last ten years, as the share of this economic activity in the overall FDI stock increased to a level of 17.4% at the end of 2021, compared with 9.2% in 2012, according to data from the National Bank of Romania analyzed by the Cushman & Wakefield Echinox real estate consultancy company.

Under these circumstances, the real estate and construction market became the second largest recipient of foreign capital in Romania, after the manufacturing industry (30% of the FDI

stock), surpassing trade (17.2%). At the end of 2021, the total FDI stock pertaining to the real estate and construction sector reached 17.4 billion euros, while recording the highest growth rate among all economic sectors (219%) in the 2012-2021 period. Foreign direct investment includes the paid-up capital and the reserves related to a non-resident investor holding at least 10% of the voting power or of the subscribed share capital of a resident enterprise, debt instruments between the investor or the group to which the investor belongs and the resident direct investment enterprise, as well as the reinvestment of earnings. The consistent increase of the FDI flows in real estate and construction during the last ten years also reflects the evolution of the total stock of modern commercial properties, foreign investors having a dominant presence in all market segments.

Therefore, the real estate developers completed office, retail and industrial projects with a cumulative area of around 7 million square meters in the analyzed period, a major increase compared with a stock of only 5.5 million square meters in 2012. Moreover, foreign investors have also increased their presence on the residential market (especially during the last five years), as tens of thousands of residential units directed to these players have either been completed or are under various stages of development in the main cities of the country.

Romania Could Lead Europe's Energy Independence By Building The Largest Solar PV Plant In Europe

MONSSON, the largest renewable energy project developer in Romania, has signed a deal with Rezolv Energy, to finalize by first quarter of 2023 the development of the largest solar PV plant in Europe, located in Arad County. The project will have an installed capacity of 1,044 MW and will likely include a state-of-the-art battery storage solution. The annual estimated energy production of the plant will be able to cover the consumption of over 1 million households and will create over 500 new jobs in the next three years. The power will be sold to commercial and industrial users through long-term Power Purchase Agreements.

“We are proud to be part of Romania’s energy transition toward renewable energy. We believe Romania can be an example in these interesting times. Green energy is cheaper, cleaner, and creates no dependency on others. We purely rely on our wind and sun,” said Sebastian Enache, Head of M&A, Monsson.

The power plant is in a final development stage and, by June 2023, construction can start. Rezolv Energy is already appraising technology solutions and debt financing options. Monsson and Rezolv have big plans in reskilling people from the area and involving as much local input as possible in future construction and operation works at the plant. The project will be designed, constructed, and operated to the highest environmental, social and governance (ESG) standards, with a particular emphasis on integrating symbiotic agricultural activities on the site. The project will also seek to incorporate beekeeping and other measures to increase biodiversity.

Formed earlier this year, Rezolv’s leadership team has previously developed and run a

portfolio of energy projects in Central and South Eastern Europe, including the Chirnogeni wind farm in south-eastern Romania. Last month, the company announced that it was partnering with Low Carbon to deliver the 450MW 'Vis Viva' onshore wind farm south of Buzău.

Romanian sugar company Zahar Bod to resume production in 2023

Zahar Bod, a 133-old sugar factory in Romania, will resume production in 2023 after it was taken over by local group Best Achizitii following prolonged insolvency procedures, G4media.ro reported. It has already begun negotiations to seal pre-contracting for next year's beet production from farmers.

This would make it the second Romanian sugar factory on the market after the local farmers purchased Ludus production capacity from French Tereos. The French owners initially announced plans to shut down the Ludus factory, but the Government stepped in and intermediated talks with the farmers.

Best Achizitii acquired 60% of the sugar factory in Brasov in February 2022. At that time, it estimated the investments needed for resuming production at EUR 1 mln. In the first year of activity, the new owner aims to process around 200,000 tonnes of sugar beet in the factory, which is the crop harvested from an area of 4,000 hectares. This would result in the production of 28,000 tonnes of sugar.

Romania imports some 75% of the 500,000 tonnes of sugar it consumes. Only two local sugar producers are still in operation in Romania: one in Ludus (taken over by farmers) and another (with two processing locations) operated by Agrana.

Local authorities in Romania plan EUR 600 mln investments in airports, 75% financed by EU

The Romanian local authorities are planning investments worth EUR 600 mln to boost regional airports, Ziarul Financiar daily estimated based on the major projects announced so far. The list includes the sole project for a new airport, the EUR 130 mln airport located at Brasov that is going to be commissioned this year.

The airport in Craiova will begin the largest expansion investment at the local level. A new terminal will be built for air cargo transport under a project envisaged to cost around EUR 100 mln. Through this project, Craiova aims to become a development pole for the entire southwestern region of Oltenia.

The financing for the projects drafted by local authorities is provided from multiple sources: mostly the European Union's budget, but also the national budget, the local administration budgets, and the airports' revenues.

"The regional airports are all carrying out very important infrastructure works, 75% financed from European funds, with the rest of the money coming from the state funds while we, the

airports, have a contribution depending on the size, the project," said David Ciceo, president of the Association of Romanian Airports and director of Cluj Airport.

World Bank, 30 years of activity in Romania

Romania has always counted on the support and expertise provided by the World Bank in the 30 years of partnership, during which the WB has developed in our country 73 projects, worth 13.42 billion dollars, Prime minister Nicolae Ciuca said, at the 30th anniversary event of the World Bank Group in Romania. During this entire period, our GDP increased 9 times, and the number of companies even 14 times, which confirms the economic dynamics, but also the capitalization of the development potential of our country. Today, the IFC portfolio in Romania is the largest and most complex at the European level, bringing significant benefits for the economy of our country," Nicolae Ciuca assessed.

The prime minister mentioned that in the 30 years of activity in Romania, the World Bank has developed 73 projects, worth 13.42 billion dollars, projects that mean "investments and reforms, development and well-being for Romanians". "Currently, the active portfolio of the World Bank in Romania is composed of 10 investment projects worth 1.78 billion USD and 52 technical and analytical assistance services. The investments target key areas for the development of Romania, such as healthcare, education, the environment and good governance," Nicolae Ciuca added.

"We have allocated the largest budget for investments and we understand the value of each euro of the 90 billion made available by the European Union. These resources are essential to fight poverty and boost the growth rate of our economy. I am confident that the European funds and the facilities offered by the World Bank Group represent an important support to access the necessary development resources. The World Bank has always helped us when we had to make system reforms, essential for the development of the country, reforms targeted in the programmes with European funds. And now, when we have to carry out deep reforms to which we committed ourselves at the government level within the National Recovery and Resilience Plan - it is about the pension reform, the reform of the Minimum Inclusion Income, the reform of the administration and the public service - the World Bank's assistance is essential," Ciuca added.

Romanian Li-ion battery maker teams up with EIT InnoEnergy to scale up production with EUR 1 bln investment

Romanian lithium-ion batteries producer Prime Batteries Technology (PBT), set up in 2016 by two local entrepreneurs, joined forces with the EIT InnoEnergy conglomerate co-founded by the European Union but including European banks and companies such as ING, Volkswagen or Siemens, and plans to invest EUR 1 bln to boost its production capacity to 8GWh by 2026 from 0.2GWh currently.

For an estimated average price of Li-ion batteries of USD 135 per kWh in 2021, the company's turnover should reach EUR 1 bln within four years, up from under EUR 8 mln in 2021.

The investment plan has two stages, with EUR 200 mln earmarked for a new plant with a production capacity of 2GWh to be ready by 2024. The development should later accelerate so as to quadruple the production capacity of the company within another two years, by 2026. The raw material for the factory, namely lithium, nickel, copper and aluminium, would be imported from China.

EIT InnoEnergy, which Pitchbook ranks as the most active sustainable energy investor globally, is the driving force behind the European Battery Alliance (EBA) and is recognized as a major early investor in other successful battery gigafactory ventures. These range from Swedish Northvolt (recently closed USD 2,75 bln financing round) to French Verkor (closed EUR 250 mln funding round and secured a strategic partnership with Renault).

Romania and Bulgaria resume negotiations for the Turnu Măgurele-Nicopol hydropower plant

The hydrotechnical project will have 840 MW of installed power, of which 420 MW is the Romanian part, with a total production of 4400 GW per year, respectively 2200 GW for Romania. Romania agreed with the Bulgarian Minister of Energy, Rosen Hristov, that it is a necessary, very important project to ensure energy independence and security.

Energy Security in the context of the green transition was the main topic of discussion at the ministerial meeting hosted in Athens by the Greek Minister of Energy, Kostas Skrekas. According to the Romanian Minister of Energy, the meeting was also attended by the Minister of Energy and Infrastructure from Albania, Belinda Balluku, the Minister of Economy from Kosovo, Artane Rizvanolli, the Minister of Energy from Bulgaria, Rosen Hristov, and the Minister of Ecological Transition from Italy, Gilberto Pichetto Fratin.

"We reiterated the need for good collaboration between our states in the field of energy in order to be able to ensure our energy security and independence. Also, through regional cooperation, we manage to ensure the diversification of sources for natural gas and energy supply and the provision of transport routes", stated Virgil Popescu.

Enel plans to leave Romania next year

The Enel Group has planned its departure from Romania for next year, according to a report presented to the press on the occasion of the Capital Markets Day conference. Enel said it plans to sell assets worth 21 billion euros (\$21.51 billion) to reduce its net debt, to focus on its presence in six countries, according to the updated strategy of the largest Italian utility companies presented on Tuesday.

Most of the asset sale plan - which targets, among others, assets in Romania and Peru - will be completed by the end of 2023. Enel wants to end 2023 at a net debt level of 51-52 billion euros, up from 69 billion euros at the end of September.

The company reports that the last three years have been affected by the combined effect of the pandemic, geopolitical conflicts and extreme weather events related to climate change. Enel's

plan foresees the exit from businesses and geographical areas that do not fit so well with the group's strategy.

Romania, a large importer of agri-food products, but also of inflation

INS head says Romania is a large importer of agri-food products from three important countries, namely Germany, Hungary and Poland, but, together with these products, we also import inflation, the chairman of the National Institute of Statistics (INS), Tudorel Andrei, said, at a conference dedicated to the financial and banking industry within the "Bucharest Leaders' Summit: Emerging challenges of the future".

According to Tudorel Andrei, in October 2022 compared to October 2021, Germany had an inflation of over 20%, Poland 22%, the Netherlands 14% and Hungary 40%. Romania had a high inflation in agri-food products, over 20%, and this fact is explainable precisely because we import raw materials and food products from exactly those countries that have recorded high inflation in Europe. Among the most relevant examples, Tudorel Andrei listed apple juice, fish, sour cream, tomato broth. "Practically, the share of imports in domestic consumption is almost 95%. (...)

Unfortunately, there are imbalances that have been created over the course of 30 years. These are imbalances that can be mitigated very hard in a short period of time," "Through an analysis based on statistical figures that shape Romania's economy and foreign trade over a long period of time, and which show us this great imbalance between what we produce, what we process, what we export, what we import. Unfortunately, the message is not positive from the point of view of the numbers, and these imbalances cannot be eliminated in a short period of time, Andrei said.

Name of the Mission (Country): Embassy of India - MOLDOVA

I. MONTHLY REPORT – November 2022

A. Trade in goods

a) Total trade in goods during

0	1	2	0	2	1	-	1	2	2	0	2	1
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	Export (US\$)	Import (US\$)	Status (P) Provisional/ (F) Final
Moldova's trade with India	0.2mn	46.5mn	F
Moldova's total global trade	3.14 bn	7.17bn	F

b) Preferential trade in goods during

0	1	2	0	2	1	-	1	2	2	0	2	1
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S.No.	Preferential / Free Trade Agreement with India	Preferential Imports from India (US\$ million)	Preferential Imports from World (US\$ million)
1	N/A		

S.No.	Preferential / Free Trade Agreement with India	Preferential Exports to India (US\$ million)	Preferential Exports to World (US\$ million)
1	N/A		

c) Top 10 items of import from India during

0	1	2	0	2	1	-	1	2	2	0	2	1
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S.No.	Commodity (4 digit HS tariff line)	Value (US\$ million)	Quantity	Unit of Measurement	% share in total import of the commodity
1	Pharmaceutical	10.80	--	--	23.22

	products (HS 30)				
2	Fabrics impregnated , coated or covered with plastics or laminated with plastics (HC 5903) and other textiles	5.626	--	--	12.09
3	Ceramic tiles and slabs for paving or wall covering(HS 6907)	3.83	--	--	8.23
4	Mobile devices- including phones (HS 8617) & electronics, electrical equipments	3.33	--	--	7.16
5	Insecticides, pesticides, herbicides and others (HS 3808) & organic chemicals	3.07	--	--	6.60
6	Mineral Fuels and Oils(HS 27)	2.36	--	--	5.07
7	Stones used for monuments or constructions works (HS 6802)	2.13	--	--	4.58
8	Machinery & Nuclear reactors, boilers (HS 84)	1.74	--	--	3.74
9	Vehicles parts and accessories (HS 8708)	1.73	--	--	3.72
10	Rubber	1.26	--	--	2.70

d) Top 10 items of export to India during

0 1 2 0 2 1 - 1 2 2 0 2 1

S.No.	Commodity (4 digit HS tariff line)	Value (US\$ million)	Quantity	Unit
1.	Sunflower seeds (HS 1206)	0.128	NA	NA
2.	Cyclic alcohols and their	0.015	NA	NA

	halogenated, sulphonated, nitrated or nitro sated derivatives (HS 2906)			
3.	Fruit and Vege juice (HC2009)	0.0227	NA	NA
4.	Animal blood (HS 3002), Amino Compos (HS2922)	0.007	NA	NA
5.	Mineral Water (HS 2202)	0.0033	NA	NA
6.	Machines (HS8479)	0.00735	NA	NA
7.	Fruit Jam (HS 2007)	0.0031	NA	NA

e) Potential products of imports from India

S.No	Commodity (4 digit HS tariff line)	Rationale (Max.200 words)
1.	Machinery and mechanical appliances; electrical equipment; parts thereof; sound recorders and reproducers (HS 85)	These are the top 10 items/products that Moldova imported from the world. Some of the items/products appears in the bilateral trade with very less volume. Therefore, it is proposed to target these products to increase the export from India.
2.	Mineral products (HS 2530)	
3.	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes (HS 27)	
4.	Products of the chemical or allied industries (HS 3824)	
5.	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers (HS 85)	
6.	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof (HS 84)	
7.	Base metals and articles of base metal (HS 72-83)	
8.	Textiles and textile articles (HS 5911)	
9.	Vehicles, aircraft, vessels and associated transport equipment (HS 86-89)	
10.	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof (HS 87)	

B. QUALITATIVE

Month

0	1	2	0	2	1	-	1	2	2	0	2	1
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1. Market Access Alerts (attach copy of notification):

a. Alerts on customs tariff changes: -

Moldova concluded free trade arrangements (FTAs) to date with most of the Commonwealth of Independent States (CIS) countries and is also a Central European Free Trade Agreement (CEFTA) contracting state. A preferential tariff treatment is granted for specific categories of goods, depending on their origin and in accordance with the FTAs to which Moldova is a party.

S.No .	Notification no. and date	HS code	Description	Original customs tariff	Present customs tariff	Effective from	Remarks if any
1.	Nil						

b. Alerts on non-tariff measures (SPS/TBT/ import and export procedures/ restrictions/ prohibitions, licensing/ STEs etc.)

S.No	Notification no./ date	Measure	HS Codes	Effective from	Remarks if any
1.	There are no tariff barriers imposed on exports from India to Moldova.				Information requested and received from the Trade Regime and Bilateral Economic Relations Section of the Ministry of Economy and Infrastructure of the Republic of Moldova.

c. Alerts on standards, technical regulations and conformity assessment procedures:

S.No.	Notification no./ date	Standard/ technical regulation/ conformity assessment	HS Codes	Effective from	Remarks if any

		procedure			
1.	No new alerts on standards, technical regulations have been brought to attention in the last 5 months.				

- d. Alerts on trade defense measures taken by respective country:
(Safeguards including special safeguard, antidumping, CVD or anti- subsidy)

S.No	Notification no., date or other references	Type (initiation, final, prov., sunset, consultations, new shipper review)	Details of products/ sectors affected (including HS codes)	Effective from	Remarks if any
1.	No new trade defense measures have been brought to attention in the last 5 months.				

- e. Alert on services, regulatory regime, qualification requirement, licensing procedures, visa regime, barriers etc.

S.No	Notification no., and date or other references	Service sectors affected	Modes	Effective from	Remarks if any
1.	NA				

2. Feedback

- a. Feedback from major Indian industries/other commercial concerns and Indian trade visitors to that country

S.No.	Name of business house	Activity sector	Trade barrier issues if any (incl. HS codes)	General Feedback (Max.200 words)
1.	<p>The Republic of Moldova will build the 400 kV Vulcanesti-Chisinau OHL with the Indian KEC International.</p> <p>PowerGrid is the consultancy partner of this project.</p> <p>Generally Embassy receive feedback of Moldovan companies through Moldovan Chamber.</p>	https://www.actmedia.eu/energy-and-environment/the-republic-of-moldova-will-build-the-400-kv-vulcanesti-chisinau-ohl-with-the-indian-kec-intern		

b. Feedback on major trade activities **including logistic events** (trade fairs/BSM including Indian participation)

S.No.	Activity (trade fair, BSM etc.)	Date and venue	Number of participants from India	Name(s) of large/ key participants from India	Feedback received (Max.200 words)	Source of funding (MAI, TA/T)

						C)
1.	Mission regularly disseminate information on business events held in India.					60 Indian and Moldovan businessmen from textile, leather and related industries participated.
2.	India-Moldova trade interaction in hybrid mode which was organized in collaboration with the Federation of Indian Export Organizations (FIEO), Organization for the Development of Entrepreneurship (ODE), Moldova and the Light Industry Employers' Association from the Republic of Moldova (APIUS) on 17 November 2022	17.11.2022	60			Ambassador addressed the participants. Mr. Constantin Turcanu, Head of Programme Implementation Unit, Growth and Internationalization SMEs, ODE delivered the opening remarks. Mrs. Tatiana Cortic, Project Manager of APIUS and Mr. Vishvadity Saha of FEIO briefed the participants on the recent developments in textiles and leather industries of Moldova and India respectively.

- c. Feedback from local commercial visitors to trade fairs in India, including under BSM; number of Business Visas issued:

In July, two member Moldovan delegation visited India for Silk Fair and in August one Moldovan businessman received visa from the Embassy.

S.No .	Activity (trade fair)	Date and venue	Number of participants from the relevant country	List of large/ key participants from the relevant country	Number of Business Visas issued	Feedback received (Max.200 words)
1.	Embassy disseminates news of Important trade event in India to Moldovan Chambers.					

3. Trade and Investment:

- a. Significant trends in trade and investment (Sources: National Institute of Statistics)

S.No.	Category	Details of significant trends (Max.200 words)	Analysis (Max. 200 words) US\$
1.	Trade in Goods	<p>The total export of the Republic of Moldova to India during 2021 was 0.2mn\$. In comparison with 2020, the value of exports went down a little. The most important fields of imports from India are pharma products, ceramic, mobile and accessories for them, fabric and stones.</p> <p>The total import of the Republic of Moldova from the Republic of India is 46.5 mn\$ for 2021,</p>	<p>Trade Balance (Exports-Imports) for 2021(Jan to Dec) is in favour of India. Indian export of Moldova was 46.5mn\$, which very minimal comparing overall import of Moldova 7.17bn\$.</p>
2.	Trade in Services		
3.	Investment		

		<p>during previous year- the total amount was 39.55mn\$. [Data from Statistics Moldova]</p> <p>In the current financial year 2022-23 from April to October, Indian export to Moldova was US\$ 6.4mn.</p>	
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b. Opportunities for investments/ assets on offer/major company divestment:

S.No.	Sector Name (List attached)	Particulars of the asset /company	Contact details
1.	<p>Under new government Moldova is working on a economic reconstruction plan with investment in infrastructure with fund from EU and IMF.</p> <p>On June 23, Moldova got the status of country candidate for accession to EU, this will open up opportunities for investment. In infrastructure Moldova will invest Euro630mn in next few year. Moldova is also targeting to produce 410 MW of renewable energy by 2023.</p> <p>There is a</p>		

	possibility for Indian investment in infrastructure projects , renewable energy sector and information technology sector.		
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- b. Information on tender Notices for projects and procurements of interest to Indian project exporters/ suppliers (USD15 million & above)

S. No.	Tender/ procurement notice No and date	Sector	Value of tender/ procurement

- c. Trade Queries for Imports/ Exports (if not uploaded on the Indian trade portal)

S. No.	Enquiry Originator	Product with Hs Codes	Nature (Import / Export)	Value (US\$ Million)	Action Taken (Max.200 Words)
1	Arians Xports	Food products, spices and dry fruits	Export	Na	Answered
2	Shreekant G. Kadam	Vegetables and Fruits	Export	Na	Answered
3	Global Supply	Guar Gum	Export	Na	Answered
4	Mighty Steps	Organic baby food products	Export	Na	Answered
5	SELEMON INTERNATIONAL	Pulses,Spices And Pickles,Home made Namkeen,Frozen Foods,SS Hardware And Imitation Jewellery	Export	Na	Answered
6	Streamflowexims	Rice	Export	Na	Answered

7	PERFECT ENGINEERING ENTERPRISES	Premium spices	Export	Na	Answered
8	Lukhi Harshil	Agrochemicals	Export	Na	Answered
9	SKY Export Huse	Tea	Export	Na	Answered
10	Om Exim	Rice	Export	Na	Answered
11	EXIM Kings	Black Tea	Export	Na	Answered
12	Veerankav Venture	Rice Fresh Fruits), Fresh Vegetables, Fish, Iron & Steel and Building Materials	Export	Na	Answered
13	A BVP ENTERPRISE	Indian Agro product	Export	Na	Answered
14	Glowken Private Limited	Natural/agricultural commodities	Export	Na	Answered
15	Consulting Engineers Group	Engineering consultancy solutions in infrastructure development and management	Export	Na	Answered
16	Mahseer Product Private Limited	Builders hardware, Plastic Moulded Components, Die casted components	Export	Na	Answered
17	SIMERO CERAMIC COMPANY	PORCELAIN VITRIFIED FLOOR TILES	Export	Na	Answered
18	Shree Dhwarkadhish Engineering	High Tensile, Stainless Steel, Mild Steel, Alloy Steel and Special Grade Fasteners	Export	Na	Answered
19	Rey International	Glazed ceramic tiles and vitrified tiles	Export	Na	Answered

20	Stack Export	Iron and steel Product	Export	Na	Answered
21	Blue Hoop	Ceramic Tiles products	Export	Na	Answered
22	VEMO CERAMICA	Ceramic Glazed Tiles	Export	Na	Answered
23	Unico tiles pvt ltd	Ceramic Tiles	Export	Na	Answered
24	M/s Swellco Ceramic	range of tiles using Spanish Inkjet Technology	Export	Na	Answered
25	ORGANEXS	Ceramic tiles and sanitaryware	Export	Na	Answered
26	VEMO CERAMICA	Porcelain Glazed Tiles SS SINKS & Sanitary ware	Export	Na	Answered
27	Unico tiles pvt ltd	Construction material	Export	Na	Answered
28	Range Group	World class ceramic tiles	Export	Na	Answered
29	Lavish Ceramics	Ceramic tile manufacturers	Export	Na	Answered
30	Cera Sanitaryware Limited	Wall and Floor Tile	Export	Na	Answered
31	RMC READYMIX PORSELANO	Ceramic / Porcelain ,Tiles	Export	NA	Answered
32	Arians Xports	Food products, spices and dry fruits	Export	NA	Answered
33	Shreekant G. Kadam	Vegetables and Fruits	Export	NA	Answered
34	Global Supply	Guar Gum	Export	NA	Answered
35	Mighty Steps	Organic baby food products	Export	NA	Answered

4. Important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc. / Significant stories/features on India related trade, investment, services and logistic sector, published in foreign journals/dailies, etc.: (Max. 500 words)

Indian Embassy published Indian trade related in articles in two Moldovan New Papers.

5. Details of trade research, information dissemination activity of the commercial wing

Mission regularly disseminates information on business events in India. Mission attended the Moldova Business Week forum 15-16 September 2022. Representatives of two Indian companies were also present in event.

S. No.	Nature of activity (trade research, information dissemination, seminars etc) (Max.200 words)	Details of Seminar/ conference (date/ venue, no of participants) or research (Max.200 words)	Details of trade research (title of the report, executive summary, date of publication) (Max.200 words)

6. Details of activities conducted out of Trade promotion budget:

Embassy publish trade related articles in Moldovan newspapers.

BE for current financial year	RE for current financial year	Amount utilised	Details of Activity (Max.200 words)
NA			

7. Action taken on the previous JWGs, Joint Commissions, Sub-Commissions etc. (issues that Mission had to follow up with host government):

S.No.	Detail of JWG/JEC with date and venue	Action Point (Max. 200 word)	Action Taken (Max. 200 words)
1	NA		

8. Complaints from foreign buyer/supplier on quality and trade dispute:

Name of Foreign buyer/supplier	Address & contact details of foreign buyer/supplier	Name & address of Indian exporter/importer	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.
In the last 2 months the Mission has not received complaints of this kind.				

9. Complaints of Indian exporter/importer:

Name of Indian exporter/importer	Address & address of foreign buyer/supplier	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.	Any outcome
In the last 2 months the Mission has not received complaints of this kind.				

10. Any other issue of importance

<p>Moldova's President visits Romania amid acute energy crisis</p> <p>President of Moldova, Maia Sandu, visited Romania on November 1 amid an acute energy crisis and rising security threats. Separatist region Transnistria threatened to stop the electricity supplies to Moldova proper as of November 1, fugitive businessmen and politician Vlad Plahotniuc and Ilan Shor organising mass rallies against the pro-EU Government in Chisinau allegedly under the coordination of Russian agencies, and the Russian missiles are falling closer to the national territory (a first one actually fell on the territory of Moldova on October 31).</p> <p>Romania has already set a capped price of RON 450 per MWh for the electricity sold to</p>
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Moldova under bilateral contracts - but such contracts are scarce, and eventually, Moldova's power trader Energocom had to tap the more expensive day-ahead market in order to purchase larger amounts.

Regarding the natural gas market, no bilateral contract has been signed yet, but Energocom is registered as a trader on the Romanian market as well. The company announced significant purchases of 27 mln cubic meters on October 31 - which brings Moldova's natural gas reserves to 127 mln cubic meters.

Gazprom is delivering in November only 51% of the contractual amounts, but the share dedicated to Moldova proper (the region not including Transnistria) is roughly one-third - 54 mln cubic meters - some 36% of the contractual amount.

However, given the warm weather, the country will need only 115-120 mln cubic meters in November. The biggest problem is, however, on the side of electricity - where the transfer capacity between Romania and Moldova is limited. In October, a transfer capacity to Moldova (Isaccea-Vulcanesti) was commissioned, while Romania also has a capacity of 125MW to Ukraine, which can be allocated to Moldova. The project of the back-to-back station from Vulcănești with a connection (of 600 MW) to Isaccea and the new 400 kV Vulcănești - Chisinau high voltage line is under construction, and should be completed in a maximum of three years.

Romania to supply 90% of Moldova's electricity needs

Romania provides Republic of Moldova with over 90% of electricity consumption needs. Romania currently provides Moldova with over 90% of the electricity consumption needs, minister of Foreign Affairs Bogdan Aurescu said on 05 Nov 2022 at the private television broadcaster Digi 24. "The situation is serious, because at the moment the Republic of Moldova has a very complicated energy situation, being dependent cent per cent on external resources in terms of gas and electricity. For electricity, Romania already at this moment assures I think over 90% of the consumption needs of the Republic of Moldova.

Romania is set to supply Moldova with 90% of its electricity needs after the separatist region of Transnistria cut off Moldova proper from the Cuciurgan thermal power plant. Romania is now the only major source of electricity for Moldova, according to Victor Bânzari, the head of Energocom, the country's electric utilities company. The entire amount of energy is procured from Romania, including the amount used to cover the deficit.

Foreign Minister said that Romania's reaction was extremely prompt from the moment when, in fact, after the bombings in Ukraine, Ukraine could no longer export electricity to the

Republic of Moldova. And then, that necessary amount that the Republic of Moldova was buying from Ukraine was and is ensured at this moment by Romania. For now, we can ensure this need.

Of course, energy specialists can better say what are the time intervals that can be counted on. At this moment we can support the Republic of Moldova with electricity deliveries," Aurescu said. Minister Aurescu added that Romania has also helped Moldova with the supply of fuel oil and firewood. "The government approved 130,000 cubic meters of firewood at the request of Moldova. We continue with the calls to the international community to provide grants to the Republic of Moldova so that it can buy energy from the free market," the minister said.

Over 25% market share for wines imported by Romania from Moldova

Wines from Moldova have a market share of imported wines in Romania of over 25%, and this share is estimated to grow by 4% every year, according to data of the National Wine and Vine Office (ONVV), released at the Varnishing of Moldovan Wine. Romania is the main country where wines from Moldova are sold, before Poland and the Russian Federation.

With a wine market value estimated at 169.5 billion dollars, in 2021, Moldova exports wines in over 75 countries. At the same time, for an area of 117,000 ha, Romania's neighbors rank 14th among European wine makers according to the size of vineyards. Data quoted by ONVV show that last year, Moldova exported over 120 million litres of wine, 10% of which in Romania, with a value of 26.2 million dollars, on the rise by 19% compared to 2020.

Romanians prefer red Moldovan wines (94%), followed by sparkling wines (5%), liquors and brandy (1%). When it comes to sugar content, Romanians prefer semi-sweet wines, followed by semi-dry, dry and sweet wines. Red wine is preferred in the local market, followed by white and rose ones.

EU, United Nations Development Programme start training operators of biomass centres

The thermal biomass centres from over 100 public institutions are tested and prepared for the cold season. The operators are trained by a team of experts contracted by the programme, Approaching the impact of the energy crisis in Moldova, financed by the European Union and implemented by the United Nations Development Programme (UNDP) Moldova, in partnership with the Infrastructure and Regional Development Ministry (MIDR). One hundred thermal stations are to be subjected to the procedure of verification till the end of this year. In this respect, 69 thermal non-functional stations were identified and which has various technical damages.

“All infrastructure of the solid bio-fuel sector in Moldova was created with the support of the European Union and the government of Japan. Presently, the biomass thermal stations from

the public institutions have a capacity set of 70 MW and can replace the consumption of up to 20 million cubic metres of natural gas. Thus, costs of about 20 million dollars with natural gas can be avoided and this money will remain in the country at the producers of bio-fuels,” the state secretary for energy at MIDR, Constantin Borosan, said.

About 75 producers of solid bio-fuels are registered in Moldova, with a capacity of annual production of about 30,000 tons. In the present energy context, it is even more important to ensure the availability and quality of the solid bio-fuels for consumers,” a composition manager at UNDP Moldova, Mihail Lupu, said. With a budget of 10 million euros, the programme, Approaching the impact of the energy crisis in Moldova, contributes to the fight against the climate changes through reducing the impact of the energy crisis and to the attenuation of the burden of the energy poverty.

Moldova to receive grant for energy rehabilitation of public buildings

Moldova will benefit from a grant worth 12.4 million euros from the European Union for projects on energy rehabilitation of public buildings. The law for the ratification of the agreement on grant with the European Investment Bank (EIB) for financing the Energy Efficiency in Moldova project was published in the Official Journal (Monitorul Oficial) .

Under the document, the main beneficiaries of the project will be the social institutions: republican, municipal and district hospitals, kindergartens and schools. The financial assistance will be provided by the European Commission’s Neighbourhood Investment platform.

The Energy Efficiency in Moldova project has the goal to implement a national programme on energy rehabilitation of public buildings, held/managed both by the central and local public authorities, which have a low energy performance, triggered by the age of constructions, as well as the lack of investments in works on strengthening the energy efficiency.

The project’s overall budget is of 75.5 million euros, with financial coverage on behalf of the European Union, European Bank for Reconstruction and Development and the European Investment Bank. The project is to be implemented till 2025.

USA to provide Moldova about 19.5 million dollars for strengthening energy security

Moldova will benefit from financial support provided by the United States for strengthening the energy security. The parliament’s commission for foreign policy and European integration gave a positive notification to initiating negotiations on the signing of the 14th Amendment to the agreement on assistance concluded between the governments of the two countries. Thus, the government of the United States will provide an additional contribution of 19.5 million dollars. The money will be used to reduce the dependence on Russia, through the connection

of the key elements of Moldova's energy sector to the European systems, as well as for the attraction of investments in the local production of energy, diversification of the supply with natural gas and enhancing the energy efficiency.

The amendment due to be negotiated also sees the establishment of the terms and conditions as to the contribution of the U.S. Agency for International Development (USAID) worth 30 million dollars, due to be provided to Moldova's government. The money will be used for purchasing electric energy from Ukrainian providers on the period May-September 2022. The assistance agreement on the goal of development between the governments of Moldova and the United States for sustainable economic growth anchored in European integration was signed in 2016. The present Amendment will enter into force on the date of its signing. EU, United Nations Development Programme start training operators of biomass centres.

The EIB plans to grant the Republic of Moldova around 150-170 million euros in 2023

The European Investment Bank, the bank of the European Union, plans to grant loans to the Republic of Moldova in 2023, in combination with support in the form of grants and technical assistance, in the amount of 150-170 million euros. Funding covers a wide range of projects focusing on energy efficiency and climate change mitigation, as well as the health and digitalisation sectors.

The vice-president of the EIB, Teresa Czerwińska, participated in the third ministerial conference of the Support Platform for the Republic of Moldova in Paris. New investments have been announced for 2023 aimed at key sectors of the Moldovan economy, including investments in transport, energy and health projects throughout the country.

Teresa Czerwińska, who is in charge of operations in Moldova, said that the EIB will continue to contribute to an economically strong, energy independent and environmentally friendly Moldova. "So far we have done this by investing €280 million and mobilizing another €16 million in grants for public and private sector projects in 2022 alone. Next year, our priority will be investing in the energy and transport, which will help Moldova to obtain energy independence and continue the path of integration into the European Union", noted the vice-president of the EIB.

The EIB has been active in the Republic of Moldova since 2007. To date, it has invested over one billion euros in 26 projects across the country, supporting EU policy priorities, including projects in the field of transport, energy, small and medium enterprises, agriculture, municipal infrastructure (solid waste, water and sewage) and service sectors of the Moldovan economy.

Gazprom will reduce the amount of natural gas delivered to the Republic of Moldova by 56.5 percent starting first December

From December 1, Gazprom will reduce the amount of natural gas delivered to the Republic of Moldova by almost 57%. It is the second action of this kind and undertaken only a few months apart.

"Currently the used transport capacities are those reserved for the annual auction. Thus, starting from December 1, 2022, natural gas deliveries from SAP "Gazprom" to the Republic of Moldova will be reduced by 56.5% in December 2022, based on the volume of natural gas coordinated by SA "Moldovagaz" and SAP "Gazprom" for the month of December according to the Natural Gas Supply Contract (189 mil. m³ - right bank and 217 mil. m³ - left bank)", stated Constantin Borosan, the State Secretary in the field of Energy.

According to the official, at the auction for the reservation of the monthly natural gas transport capacity held on Monday, November 21, by the Оператор ГТС України at the interconnection points between Ukraine and the Republic of Moldova, PI Grebeniki and PI Oleksiivka, no additional transport capacities were reserved.

In November, Gazprom supplied the Republic of Moldova with a total volume of 5.7 million cubic meters of gas per day, which was 60 percent less than the required amount of the country.

France will grant the Republic of Moldova more than 100 million euros to overcome the unprecedented energy crisis caused by the situation in the region.

"We decided to mobilize 100 million euros for the exceptional situation to solve the crises caused by refugees and to allow their access to education, food. Two million euros are being mobilized to help public energy reforms," French President Emmanuel Macron said.

Another 26 million is granted for businesses. Almost 90 million euros will be directed to the energy sector, two million are intended for reforms in the sector, and 85 million - for energy resources themselves.

President Maia Sandu pointed out that in the last 12 months, the price of gas has increased seven times in the Republic of Moldova, while the price of electricity has increased four times. Citizens will pay around 65 percent of their income to cover the cost of bills, Maia Sandu emphasized.

"We are preparing for a particularly difficult winter. We are facing a particularly serious energy crisis that is putting our gas and electricity supplies at risk. We hope to find the solutions that will warm the inhabitants of the Republic of Moldova. I know that all these problems are in the whole of Europe, because we all pay a particularly high price for electricity", said Maia Sandu.



Name of the Mission (Country): ALBANIA

I. MONTHLY REPORT – November 2022

A. Trade in goods

a) Total trade in goods during

0	1	2	0	2	1	-	1	2	2	0	2	1
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	Export (US\$ million)	Import (US\$ million)	Status (P) Provisional/ (F) Final
Albania's trade with India	13.02\$mn	62.351\$mn	P
Albania's total global trade	3.59\$bn	7.718\$bn	p

Source: <http://www.instat.gov.al/>

b) Preferential trade in goods during

0	1	2	0	2	1	-	1	2	2	0	2	1
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S.No.	Preferential / Free Trade Agreement with India	Preferential Imports from India (US\$ million)	Preferential Imports from World (US\$ million)
1	NA		

S.No.	Preferential / Free Trade Agreement with India	Preferential Exports to India (US\$ million)	Preferential Exports to World (US\$ million)
1	NA		

c) Top 10 items of import from India during

0	1	2	0	2	1	-	1	2	2	0	2	1
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S.No.	Commodity (4 digit HS tariff line)	Value (US\$ million)	Quantity	Unit of Measurement	% share in total import of the commodity
1	Articles of stone, plaster, ceramic prod. Glass(HS 13) Base metals and articles of base metal(HS 72- 83)	24.466	52298699	KG	39.23
2	Machinery, appliances and electric materials(HS 8549)	6.680	792507	KG	10.71
3	Vegetable products, Tobacco, beverage(HS 0709)	8.062	3191284	KG	12.93
4	Mineral and Fuel	7.094	12853076	KG	11.37
5	Textiles and textile articles(HS 5911)& Footwear(HS 6405)	5.698	697595	KG	9.13
6	Chemicals & Plastics (HS3824)	5.335	1140981	KG	8.66
7	Leather and articles(HS4203)	3.563	383023	KG	5.71
8	Wood & article of paper (HS4810)	1.368	1224808	KG	2.19
9	Others	1.450	75660	KG	2.32

Top 10 items of export to India during

0	1	2	0	2	1	-	1	2	2	0	2	1
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S.No	Commodity (6 digit HS tariff line)	Value (US\$ million)	Quantity	Unit	% share in total import of the commodity
1.	Construction material(ceramics) & Base metals and articles of base metal(HS 72-83)	11.045	6170683	KG	84.83
2.	Mineral products(HS 2530)	1.702	8325130	KG	13.07

3.	Leather and their articles(HS 4203)	0.163	219001	KG	1.25
4.	Footwear(HS 6405)	0.039	6803	KG	0.28
5.	Prepared foodstuffs, beverages, tobacco(HS 16-24)Vegetable products (HS 0709)	0.069	64787	KG	0.52
6	Others	\$100/-			

d) Potential products of imports from India

S.No	Commodity (6-digit HS tariff line)	Rationale (Max.200 words)
1.	Food, Beverage and tobacco (HS16-24)	These are the top 09 items/products that Albania imported from the world in 2021. Some of the items/ products appears in the bilateral trade with very less volume. Therefore, it is proposed to target these products to increase the export from India.
2.	Mineral (HS 2530), fuel(HS27) electricity	
3.	Chemical (HS 3824) and plastic	
4.	Leather and leather products (HS4203) & Footware parts	
5.	Wood manufactures and articles paper (HS4810)	
6.	Textiles (HS 5911) and Footware (HS 6405)	
7.	Construction materials and metals (HS-13)	
8.	Machinery and spare parts (HS 8549)	
9.	Others (Pharma, vehicles, iron & steel)	
10.		

B. QUALITATIVE

Month

0	1	2	0	2	1	-	1	2	2	0	2	1
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1. Market Access Alerts (attach copy of notification):

e. Alerts on customs tariff changes: -

Customs duties

Albania uses the Harmonized Code System for tariff classification. The customs duty rates range from 0% to 15%, depending on the type of goods. Import of machinery and equipment for use in the taxpayer's business activity are generally subject to customs duties at the zero rate. Import of vehicles are subject to customs duties at a rate of 0%.

Excise duties

Excise duty is a tax applicable to certain goods consumed in Albania, whether imported or produced in the country. Albanian excise legislation is based on EU Council Directive 2008/118/EC, which defines common provisions applicable for all excisable goods. It also integrates specific provisions applicable for each category of excise products. Categories of products subject to excise duty in Albania are:

- Energy products (e.g. petroleum, gasoil, gas).
- Tobacco products (e.g. tobacco, cigarettes).
- Alcohol and alcoholic beverages (e.g. beer, wine, spirits).
- Other products (e.g. baked coffee, fireworks).

Excise duty is usually calculated as an amount per quantitative measuring unit defined for that product (e.g. per litre, per kilogram, per hectolitre, per 1,000 pieces).

S.No .	Notification no. and date	HS code	Description	Original customs tariff	Present customs tariff	Effective from	Remarks if any
1.	No new alerts on customs tariff changes have been brought to attention in the last 5 months.						

- f. Alerts on non-tariff measures (SPS/TBT/ import and export procedures/ restrictions/ prohibitions, licensing/ STEs etc.)

S.No	Notification no./ date	Measure	HS Codes	Effective from	Remarks if any
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1.	Albania has no significant non-tariff trade barriers. However, administrative bureaucracy, including the use of sanitary or phytosanitary measures (SPS), can delay the movement of goods and increase costs. In addition, the application of market prices, often referred to as “reference prices” in calculating customs dues and other taxes at customs, have become a concern and are a potential barrier for many businesses involved in trade activity.				
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g. Alerts on standards, technical regulations and conformity assessment procedures:

S.No.	Notification no./ date	Standard/ technical regulation/ conformity assessment procedure	HS Codes	Effective from	Remarks if any
1.	No new alerts on standards, technical regulations have been brought to attention in the last 5 months.				

- h. Alerts on trade defense measures taken by respective country:
(Safeguards including special safeguard, antidumping, CVD or anti- subsidy)

S.No .	Notification no., date or other references	Type (initiation, final, prov., sunset, consultations, new shipper review)	Details of products/ sectors affected (including HS codes)	Effective from	Remarks if any
1.	No new trade defense measures have been brought to attention in the last 5 months.				

- e. Alert on services, regulatory regime, qualification requirement, licensing procedures, visa regime, barriers etc.

S.No .	Notification no., and date or other references	Service sectors affected	Modes	Effective from	Remarks if any
1.	Nil				

2. Feedback

- d. Feedback from major Indian industries/other commercial concerns and Indian trade visitors to that country

S.No.	Name of business house	Activity sector	Trade barrier issues if any (incl. HS codes)	General Feedback (Max.200 words)
1.	The Commercial Wing receives monthly positive feedback from			

	Indian companies requesting our assistance, services and data.			
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e. Feedback on major trade activities **including logistic events** (trade fairs/BSM including Indian participation)

Last three year no trade delegation from India visited Albania and same is the case for Albania to India.

S.No .	Activity (trade fair, BSM etc.)	Date and venue	Number of participants from India	Name(s) of large/ key participants from India	Feedback received. (Max.200 words)	Source of funding (MAI, TA/TC)
1.	India Albania Tourism Forum	22.11 2022	20- online		The Embassy of India in Romania organised the India Albania Tourism Forum which took place in Tirana on November 22, 2022, in partnership with the Albanian Tourism Union, the Albanian National Tourism Agency and the Indian Association of Tour Operators (IATO). It was	

					the first event of its kind attended by over 45 Albanian tourism representatives . the industry joined in person and 20 Indian travel companies participated online.	
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- f. Feedback from local commercial visitors to trade fairs in India, including under BSM; number of Business Visas issued:

S.No .	Activity (trade fair)	Date and venue	Number of participants from the relevant country	List of large/ key participants from the relevant country	Number of Business Visas issued	Feedback received (Max.200 words)
1.	Mission is disseminating the Indian trade fairs, trade events, etc through the local Chambers of Commerce & the local organizations and trade and business facilitators focusing on India.				Nil	

3. Trade and Investment:

- g. Significant trends in trade and investment (Sources: Albanian National Institute of Statistics)

S.No.	Category	Details of significant trends (Max.200 words)	Analysis (Max. 200 words)
1.	Trade in Goods	<p>In 2021, Ceramics export to Albania increased significantly, Engineering goods made a steady progress.</p> <p>Indian investment in Albania is not significant, almost Nil. No Indian service sector company has established its office in Albania.</p> <p>Last FY India's export to Albania was US\$55mn, during the current FY 22-23, April to October, India's export to Albania was US\$29.28 mn. During FY 22-23, April to August, Albania's export to India was US\$ 5.40mn.</p>	<p>This year Albania's export to India also increased significantly (more than 200%). Machinery and ceramic products dominated Indian exports to Albania.</p>
2.	Trade in Services		
3.	Investment		

- b. Opportunities for investments/ assets on offer/major company divestment:

S.No.	Sector Name (List attached)	Particulars of the asset /company	Contact details
1.	NA		

- c. Information on tender Notices for projects and procurements of interest to Indian project exporters/ suppliers (USD15 million & above)

S. No.	Tender/ procurement notice No and date	Sector	Value of tender/
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			procurement
1.			NA

d. Trade Queries for Imports/ Exports (if not uploaded on the Indian trade portal)

S. No	Enquiry Originator	Product with Hs Codes	Nature (Import / Export)	Value (US\$ Million)	Action Taken (Max.200 Words)
1	Unico tiles pvt ltd	Construction material	Export	Na	Answered
2	Range Group	World class ceramic tiles	Export	Na	Answered
3	Lavish Ceramics	Ceramic tile manufacturers	Export	Na	Answered
4	Cera Sanitaryware Limited	Wall and Floor Tile	Export	Na	Answered
5	RMC READYMIX PORSELANO	Ceramic / Porcelain ,Tiles	Export	Na	Answered
6	SRANS Lifecare Private Limited	Pine wood scra	Export	Na	Answered
7	RUSAN PHARMA LIMITED	GALVANISED STEEL COILS	Export	Na	Answered
8	VIKAS EXPORTS	Nut, Bolt, screws, Washers	Export	NA	Answered
9	Nutritual Pharma	Supplier and Exporter of Tarpaulins, Column and Casing Pipes, PP Fittings, Hoses.	Export	NA	Answered
10	ECOVETA MULTI SERVICES OPC PVT LTD	Quality Granites Stones	Export	NA	Answered
11	SRKEXIM	Textile Fabrics and Handicrafts	Export	NA	Answered

12	Fashionite Impex	Fashion Garments & Accessories	Export	NA	Answered
13	ALLMARK	Railing manufacturers	Export	NA	Answered
14	Vivarta International	hand carved luxurious Masala Incense Sticks	Export	NA	Answered
15	The HIND FOREDECK	Soap	Export	NA	Answered
16	Japeza Garage	Conceptual bicycle manufacturer	Export	NA	Answered
17	DBV Exports	Handicraft, Home Décor Items & Wooden Furniture	Export	NA	Answered

4. Important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc. / Significant stories/features on India related trade, investment, services and logistic sector, published in foreign journals/dailies, etc.: (Max. 500 words)

Nil

5. Details of trade research, information dissemination activity of the commercial wing

Mission regularly disseminate information on business event in India to business chambers in Albania.

S.No.	Nature of activity (trade research, information dissemination, seminars etc) (Max.200 words)	Details of Seminar/ conference (date/ venue, no of participants) or research (Max.200 words)	Details of trade research (title of the report, executive summary, date of publication) (Max.200 words)
1.	Nil		

6. Details of activities conducted out of Trade promotion budget:

BE for current financial year	RE for current financial year	Amount utilized	Details of Activity (Max.200 words)

NA			
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7. Action taken on the previous JWG, Joint Commissions, Sub-Commissions etc.
(issues that Mission had to follow up with host government):

S.No.	Detail of JWG/JEC with date and venue	Action Point (Max. 200 word)	Action Taken (Max. 200 words)
1	NA	NA	NA

8. Complaints from foreign buyer/supplier on quality and trade dispute:

Name of Foreign buyer/supplier	Address & contact details of foreign buyer/supplier	Name & address of Indian exporter/importer	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.
NIL				

9. Complaints of Indian exporter/importer:

Name of Indian exporter/importer	Address & address of foreign buyer/supplier	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.	Any outcome
In the last 5 months the Mission has not received complaints of this kind.				

10. Any other issue of importance

<p>Govt Plans Issue of Euro 500 mln Eurobond</p> <p>The 2023 draft budget foresees the issuance of a new Eurobond with a minimum value of Euro 500 million, the Minister of Finance and Economy, Delina Ibrahimaj said in the Parliamentary Committee of Economy and Finance. During the presentation of the draft budget in the Parliamentary Committee on Economy, Ibrahimaj said that the Eurobond will be issued only if the market conditions will be acceptable, in order to realize a</p>

relatively successful transaction of the Eurobond in terms of value, interest rate, maturity and others. According to Ibrahimaj, the issuance of the Eurobond does not condition the normality of the execution of the 2023 budget.

"We also plan to do some liability management, specifically to buy back a part of the existing Eurobond (about Euro 250 million), which will mature in 2025 (the one issued in 2018), thus reducing the risk of refinancing in that year, but which definitely helps to achieve better financial terms, in the issuance of the new bond," Ibrahimaj said. "However, I want to emphasize that the issuance of the Eurobond does not condition the normality of the execution of the 2023 budget. The administrative preparations for the Eurobond have already begun and the Ministry of Finance and Economy will be ready at the beginning of 2023. But, considering the situation of favorable liquidity, the issue of the Eurobond will be made, only if the market conditions will be acceptable, to realize a relatively successful transaction of the Eurobond in terms of value, interest rate, maturity and others," she said.

Knowing the high uncertainties that foreign financial markets may have during the coming year, Ibrahimaj said that experts have been working for a long time to push forward the materialization of a budget support with the World Bank, in a potential value of about Euro 120 million, and which, according to the minister, will be added with the same amount by the French Development Agency (AFD), i.e. about Euro 240 million in total. The Minister informed that the Finance Ministry has planned some backup alternatives to ensure funding. Ibrahimaj announced that a reserve funding line is the allocation of the SDR currency, which Albania has had from the IMF since the time of the pandemic, which has a value of around Euro 180 million, which the ministry has kept since the beginning, as a line contingent financing, to be used only in case of liquidity difficulties. She expressed confidence that borrowing during the coming year, both in the local market and in the foreign one, will be relatively successful.

Cosmetic Industry Grows despite Prices' Hike

Made in Albania" cosmetic and personal care industry cells operate separately. Today there are success stories of products formulated here and manufactured abroad, local manufacturing labs that have customers from Dubai, London and USA, quality artisanal products fighting alone for survival. Basis of this industry is medicinal plants, as Albania exports 95% of the amount cultivated or collected, not benefiting from their added value when subjected to processing. Market actors in all sectors claim that the potential is great. Someone above the parties must unite all these links, in a chain that works and is properly supported to grow and develop in new dimensions.

Ten years ago, the sisters Mikena and Ada, who had a passion for beauty, created the formula of an oily combination. Today it is the best-selling product of their company and bears the stamp "Made in France". Due to market conditions, the exclusive "Albanian" formulation could not remain so until the end. Currently, "Ada Herbs", part of the titles of foreign beauty magazines such as "Vogue", "Glamour" and "Health & Wellbeing", includes in its product portfolio complete hair, face and body care lines, which follow same cycle: formulated here but produced abroad.

"The creation of every formula starts from Albania, because we are here. Our products are formulated, created and then manufactured under safety and patent conditions in France, having passed all the necessary standardization stages of the certifications they carry. The raw material is provided from all over the world, mostly the South of France, where our laboratories are located. The filters necessary for the safety of our products are passed with EU standards and the excellence of French production", - affirm the founders of the company. According to them, Albania is an indirect part, for the simple reason that trading and production of raw materials for cosmetics is difficult.

"This is one of the reasons that led us to move our production to France, the world center of quality and standard cosmetics. Of course, this is also a strategic decision of the company, to be in the European and American markets. Launching a 'Made in France' product on the market carries the seriousness and responsibility of one of the biggest superpowers in the world", they underline. Technological and laboratory limitations make Albania less attractive to develop an industry with potential such as personal care and cosmetics. We say potential, since Albania is one of the 25 leading exporters of medicinal plants in the world, cultivating or collecting over 330 species.

Now the number of local and foreign customers is increasing day by day. Albanian laboratory manufactures products for customers in Dubai, the United States of America, Europe, but also locally. Albania do not have collagen, emulsifiers or hyaluronic acid, or any other necessary substances. The only thing we produce in Albania are essential oils, one of the raw materials for our industry, which we use in the laboratory according to standards and this is our secret. To extract a liter of essential oil, tons of plants are needed to achieve the good result that the oils have. Albania has an extraordinary potential in this aspect, as it is rich in medicinal plants. But the industry that is working very well in its various links cannot act as one, to unite and exploit the potential it has. In this aspect, it is the government, through its policies, that sees the opportunities and developments of the market and unites all the links, supporting them to increase the value of "Made in Albania" as a whole.

Albania's Workforce Facing Shortages due to New Migration Wave

New wave of emigration of young Albanians is one of the main causes of the labor shortage, noted the World Bank in the latest report on regional developments. The Bank analyzed that unemployment, corruption and immigration remain the main concerns of businesses in the region. Although potential growth in the Western Balkans is expected to strengthen during 2022–2030, it will be under pressure from internal regional developments.

The bank estimates that unfavorable demographic trends will negatively affect growth prospects in the Western Balkans. Slowness in improving institutional quality, poor perception of government effectiveness and corruption control, lack of opportunities for quality work, increasing informality, increasing inequality have worsened long-term structural issues, such as reduction of labor supply due to aging and emigration, analyzes the World Bank. Restrictions on the labor market do not create a favorable climate for foreign investments, the development of the private sector and the productivity of firms. In a previous analysis of the development potential of the private sector in Albania, the Bank pointed out that labor productivity indicators in Albania have stagnated since 2009 and are well below the average for the six countries of the Western Balkans (WB6). as well as the seven small transition countries from Europe's economies.

Expressed desire to emigrate now peaks among the 27-30 age group in Albania, suggesting that emigration will continue to change Albania's demographic structure. Meanwhile, significant inflows of remittances are discouraging labor force participation. Data on asylum seekers in the EU and Great Britain show that the trends of leaving Albania have increased in the last two years after the pandemic. The trend has accelerated this year after the commissioning of a new emigration channel from France to Great Britain by dinghy. Over 15 thousand Albanian asylum seekers were registered in the first 6 months in the EU and Britain. An INSTAT survey in 2019 revealed that from 2011 to 2019, 360,000 people emigrated from the country. Also, from Eurostat data, from 2008 to 2021, about 750,000 Albanian citizens have received a residence permit in one of the European Union states.

Bank of Albania Increases Interest Rate for the Fifth Time in 2022

The Bank of Albania increases the lek interest rate by 0.5%, bringing it to the level of

2.75%. This is the fifth increase for this year. At this level, interest rates are the highest in 9 years. The decision was taken this Wednesday at the next meeting of the Supervisory Council of the Bank of Albania, influenced by the high and still increasing level of inflation. The Supervisory Council of the Bank of Albania decided: -increase the base interest rate to 2.75% from 2.25%, increase the one-day deposit interest rate at the Bank of Albania to 1.75% from 1.25% -to increase the one-day loan interest rate at the Bank of Albania to 3.75% from 3.25%.

The governor, Gent Sejko, said that inflationary pressures are increasing and their base is expanding. Sejko underlined once again that inflation is now being transmitted more and more in those items where the added value is mostly created in the country. According to him, inflation is the main risk for the growth prospects of the country's economy and the increase in interest rates is necessary to control the increase in prices.

PM Calls on Private Sector to Increase Wages

Prime Minister Edi Rama said that the extraordinary tax that the government plans to introduce to three large energy producers will be returned directly as financial support for the neediest people. During a visit in Roskovec municipality, Rama said that, "we will continue to do our best to support those who are most in need. We will continue to do our best to hold the shield to prevent the price of energy from hitting you."

The Prime Minister also said that salaries and minimum wages will increase again, while he also spoke about the price of energy. He reminded that families will continue to pay the price they paid before the crisis started. "Normally, you and all families pay and will continue to pay 20% of that price, 80% will continue to be paid by the state budget. The same for small businesses," emphasized Rama. As for the 800 kWh consumption limit, Rama said that the decision to apply it rests only with the government. Rama also added that "we will continue to pay attention to those who are most in need".

Furthermore, Rama also called on private sector to increase wages, while promising that "we will raise the minimum wage again". "I know that Lek 34,000 is a low salary, but I know also that it was Lek 18,000. Now it is higher, but in these times we will increase it. We will immediately increase it at the beginning of next year and in the meantime we will always try harder to convince entrepreneurs to increase wages. It's time to raise salaries, to formalize them because people need to be more secure," Rama emphasized.

2023 Budget, Fiscal Package Okayed in Principle

The Parliamentary Committee for Economy and Finance approved in principle the draft budget and fiscal package for 2023. According to the government, the budget revenues next year are expected to reach Lek 631.7 billion, while expenses will be Lek 687.2 billion. It is planned that in 2023 the economic growth will be 2.6%, from the 3.7% expected this year. Public Investments for 2023 are planned at the rate of 5.6% of GDP or Lek 122.24 billion, including the reconstruction fund in the amount of Lek 5 billion.

Planned expenditures aim at support for digitization and cyber security, finalization of national road projects, national security, support of the water sector, health, education and the agriculture and rural development sector. Referring to the forecasts of economic growth, as well as the planned budget deficit for 2023, the level of public debt in relation to GDP is expected to decrease by about 1.3% compared to the end of 2022. Meanwhile, next year the government will continue with the policy of increasing wages and indexation of pensions, as a measure to ease the burden of families from high inflation. Likewise, the subsidy for energy sector management companies will continue, with about Lek 12 billion to keep the price of electricity unchanged for family consumers and small businesses.

In the law "On Excise Duty" it is proposed to unify the excise duty on beer, for local and foreign producers, regardless of the amount of production. Also, the VAT exemption of projects for IPA funds has been proposed, the VAT exemption of energy will be handled through the energy exchange, which will start functioning very soon, within this year. The fiscal package has a general effect on budget revenues of about Lek 16.6 billion.

Cereal imports fell by 27% in 10 months, due to reserves, emigration and local production

Grain imports by volume marked a sharp decline in January-October 2022, unusual in previous years. According to official INSTAT data, in the 10-month period, about 193 thousand tons of grain were imported from over 266 thousand tons in the same period last year, with a decrease of 27.4%.

There are three fundamental factors behind these developments. The first is the reserves inherited from last year, the second is the large emigration of young people this year and the third is the increase in domestic production for self-consumption for fear of blocking supplies.

Grain markets have deteriorated further this year, with prices hitting new highs in early March at more than \$1,300 a tonne. Like everywhere else in the world, in Albania, consumers bought large quantities of flour in March and April 2022, but after this period sales fell sharply, affecting the decline of new imports.

A ton of wheat currently costs \$800 on international exchanges, up from around \$1,300 in May 2022, but the appreciation of the dollar against the lek at the current level of 117 lek from 107 lek a year ago does not favor the imports. Another reason that contributed to the reduction in the amount of grain imports is the increase in domestic production for self-consumption.

Depopulation: Albanians are leaving, 5233 work permits are given to Asians

According to the National Employment and Skills Agency (AKPA), during the 9th month of 2022, 5,233 foreign nationals received work permits, and by the end of the year, a large number of residence permits are expected to be issued, based on the high demands that have been made to the agencies. of mainly Turkish, Egyptian, Filipino and Indian employment.

More detailed data from AKPA show that foreign workers mostly come to be employed in the processing industry, in the construction sector, in agriculture and fishing, etc.

Official data from Great Britain show that from the beginning of the year to the beginning of November, about 12 thousand Albanians have entered uk, most of them young. Eurostat also reported that over 10,000 Albanian citizens have requested asylum in the first 6 months in UK.

Strong Lek Helped Maintain Lowest Inflation

The Governor of the Bank of Albania, Gent Sejko, attended the European Economic Integration Conference 2022 on: "Economic and monetary policy under wartime conditions - implications for CESEE" held in Vienna, the c-bank reported. The conference was attended by representatives from central banks of Central, Eastern and Southeastern Europe (CESSE) countries, international financial institutions, and academic experts.

While differing in nature, these crises all have a decisive effect on economic and monetary policy. The conference addressed: the impact of the strained geopolitical situation on the CESEE economies; the challenges presented by a rising inflation; demographic issues; the current energy crisis; and the restructuring toward renewable

energy sources and alternative suppliers. During his speech at the event, the Governor focused on the inflation issue in Albania and the reasons why this indicator is relatively lower compared with the regional countries. He emphasized that akin to other countries, Albania is also being affected by a rising inflation, which reached at 8.3% in October. However, inflation rate is among the lowest in the region, whereas the other part of the Western Balkan countries record an average inflation rate of around 16%. Also, Governor Sejko stressed out that, in contrast to most regional countries, the nominal exchange rate in Albania has continued to appreciate, in turn mitigating the transmission of external price shocks to the domestic economy. “During 2022, our currency, the lek, has appreciated by 2.5% on average against the euro, due to significant revenues generated by tourism, high FDIs, and stable risk premia in our domestic financial markets.

Also, Governor explained that projections in the baseline scenario suggest that the Albanian economy will continue to grow and the domestic financial stability will remain unscathed, even as the normalization of the monetary policy stance is underway. Paying particular attention to the financial stability, the Governor said that analyses show a liquid banking sector, which is well-capitalized and resilient against shocks, corroborated by both the baseline scenario as well as adverse scenarios. This resilience reflects, inter alia, the positive effects of structural reforms undertaken in regards to improving the banking supervision and regulation, the consolidation of the banking sector, the strengthening of security networks, as well as the improvement of internal control systems of banks.

To this end, Governor Sejko ensured that the Bank of Albania will continue to remain attentive toward any potential financial stability risk, and will aim to undertake the necessary measures in a timely manner. The broad experience that the Bank of Albania has gained from managing shocks in the past provides an additional guarantee to the banking sector and the Albanian economy itself.

The Parliamentary Committee for Economy and Finance approved in principle the draft budget and fiscal package for 2023. According to the government, the budget revenues next year are expected to reach Lek 631.7 billion, while expenses will be Lek 687.2 billion. It is planned that in 2023 the economic growth will be 2.6%, from the 3.7% expected this year. Public Investments for 2023 are planned at the rate of 5.6% of GDP or Lek 122.24 billion, including the reconstruction fund in the amount of Lek 5 billion.

Planned expenditures aim at support for digitization and cyber security, finalization of national road projects, national security, support of the water sector, health, education and the agriculture and rural development sector. Referring to the forecasts of economic growth, as well as the planned budget deficit for 2023, the level of public debt in relation to GDP is expected to decrease by about 1.3% compared to the end of 2022. Meanwhile, next year the government will continue with the policy of increasing wages and indexation of pensions, as a measure to ease the burden of families from high inflation. Likewise, the subsidy for energy sector management companies will continue, with

about Lek 12 billion to keep the price of electricity unchanged for family consumers and small businesses.

In the law "On Excise Duty" it is proposed to unify the excise duty on beer, for local and foreign producers, regardless of the amount of production. Also, the VAT exemption of projects for IPA funds has been proposed, the VAT exemption of energy will be handled through the energy exchange, which will start functioning very soon, within this year. The fiscal package has a general effect on budget revenues of about Lek 16.6 billion.