

Statement at the 6th Vienna Economic Forum, November 10th, 2009.

Dear Dr. Busek,

Dear Mr. Neykov,

Honorable Ministers and distinguished participants,

My name is Ilir Ciko, I'm chief of staff of the Minister of Economy, Trade and Energy of Albania and I take the floor on behalf of Minister Dritan Prifti, who due to a last moment, unexpected, and urgent situation which necessitated his presence and activity in Albania, was forced to cancel the participation in this forum and deeply regrets for not being able to be with you today.

On the other side I'm very pleased to address this important session of the Vienna Economic Forum which this year gathers at the onset of some long-time expected bright light for most of the economies still struggling under the shadows of the global crisis, whilst seeking ways for recovery. The regional cooperation approach, fully endorsed by Albania and the other countries in our region, in this aspect, has delivered. Despite the global crisis, Albania enjoys a positive economic growth, estimated at more than 4% for this year and much faster for 2010; trade with the EU and countries in the region is boosting, major private infrastructure investments, including those undertaken from prominent international market operators kindly participating also in this session, are under way.

We are all satisfied to see that major progress has been achieved in terms of developing a common market, reducing business and trade barriers and enhancing joint investments, which have proved vital both for the economic development of our countries and their progress in the path of integration in the EU. The energy sector, remains without any doubts, a clear and notable demonstration of such success.

The development of the energy sector is a key priority for the Albanian government. Over the recent years the Albanian government has much focused on the promotion of energy sector investments as an important part of the overall strategy of Albania's economic development. Until a few years ago the energy projects were considered as the escape route from a long lasting energy crisis we were constantly facing - I'm glad to confirm the reality in Albania today, is different. Our country offers vast potentials for investments in energy projects of significant scale for the region and most of them are based on renewable resources, still untapped. By creating a favorable and attractive business environment we are supportive to the private and foreign investments on these opportunities as the only way of ensuring their materialization. With major energy projects under construction, Albania is gradually shifting from a net energy importer exposed to significant supply shortages and other associated risks for the sustainable development of the country, into an important provider of energy supply for the region.

Whilst it is very true that our government's efforts are paying back tangible results, it is also for certain that a few, if any at all, of these achievements could have ever been materialized without our common willingness and efforts in establishing a regional electricity market for the southeastern Europe, compatible with the European Union directives and regulations and compliant with international environmental standards. The important reforms in the energy sector have been greatly complemented by the extension of transmission lines, increased capacities of electricity supply, coordinated modern dispatching centers, more competition and better distribution channels which as in the recent case of Albania are now operated by international investors, all paving their way to greater participation of the private sector and foreign investments in this crucial sector for our economies, and key to the enhancement of economic cooperation in the region.

The Albanian government remains fully committed in making further progress in this direction. We are responsive not only to our country's needs but also to the region's vision of an integrated market. Whilst major progress has been achieved toward the establishment of a legal framework aiming to facilitate and provide strong financial incentives for prospective investors in the energy sector, the government of Albania aims to establish a cleaner, sustainable, and more efficient energy sector through encouraging the shift toward renewable energies. I must emphasize that the current legislation established has created a myriad of profitable investing opportunities in energy production projects relevant from the regional perspective such as hydropower, wind, solar and biomass energy. The construction of about 1,000MW additional hydro power capacities is expected to take place during the next four years and even more energy is projected to come in the network from wind based technologies, biomass and thermo power plants and flows of energy crossing through the new developed transmission capacities with the countries in the region.

We are indebted to the European Union for the strong support and commitment to address and support energy as a key factor for regional stability and European integration, which is the primary aspiration for Albania and the first priority for our government. We are also confident that the expansion of the green energy market could greatly benefit by the development of a strong framework which encourages green energy exchanges between complementary systems present in our markets and we remain open to discuss and actively participate in such systems.

Finally, I would like to emphasize that the regional cooperation is not only a matter of willingness or individual country efforts; it could not be materialized without the dedicated leadership of the institutions in charge with its

implementation and progress. In this aspect, we are particularly grateful to the Secretariat and you Mr. Director, for the supportive role and guiding efforts on our common will.

Thank you for your kind attention!