



2020–2021 Minerals Yearbook

ALBANIA [ADVANCE RELEASE]

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THE MINERAL INDUSTRY OF ALBANIA

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Note: In this chapter, information for 2020 is followed by information for 2021.

The mineral resources of Albania include metals (such as chromite, copper, iron, and nickel), industrial minerals (such as clay, gypsum, and magnesite), and mineral fuels (such as coal, natural gas, and crude petroleum). The country had not been a globally notable mineral commodity producer except for chromite, which accounted for 2.5% of world production in 2020 (National Agency of Natural Resources, 2019a, p. 9–10, 26; 2019b, p. 27; Schulte, 2022).

In 2020, Albania's real gross domestic product (GDP) decreased by 3.5% owing to the suspension of some economic activities during the coronavirus disease 2019 (COVID-19) pandemic. The nominal GDP was \$15.1 billion. The mining and quarrying sector accounted for 2.0% of the GDP in 2020 and employed about 5,200 people, which represented 0.5% of the country's total employment of about 1.13 million. Albania's exports of mineral commodities (including metallic ores, industrial minerals, and mineral fuels) were valued at \$367 million,¹ accounting for 15% of the country's total exports. Imports of mineral commodities were valued at \$502 million, accounting for 9% of total imports (Bank of Albania, 2021, p. 11; Institute of Statistics, 2022b–d; World Bank, The, 2022; National Agency of Natural Resources, written commun., June 16, 2022).

The legislative framework for the mineral industry of Albania is provided by law No. 7746/1993 on the petroleum sector, law No. 10 304/2010 on the mining sector, the Decision of Council of Ministers (DCM) 232/2011 on approval of the powers of the competent authorities in the mining sector, DCM 479/2011 on approval of the mining strategy, and DCM 7/2012 on determination of the required procedures and documentation related to collection of the royalty tax. In 2020, the European Commission presented to the European Council a draft framework for Albania's membership negotiation. Prior to the membership negotiation, the pre-accession alignment process had provided impetus to Albania's efforts to harmonize its laws, including laws affecting the mineral industry, with the European Union body of law (Jani and Qirushi, 2015, p. 9; National Agency of Natural Resources, 2019a, p. 6; European Commission, 2021).

Production

In 2020, the mineral commodities with substantial production increases included mined copper, for which production increased by 69%; cement, 42%; lignite, 36%; mined nickel (Ni content), 33%; lime and marble (dimension), 29% (estimated) each; kaolin, 23% (estimated); sandstone (dimension), 21%

(estimated); and limestone (crushed), 14% (estimated). Production of chromite (gross weight) decreased by 51%; chromium oxide (Cr_2O_3) content of chromite, 40%; crude petroleum, 25%; natural gas, 23%; and ferrochromium, 19%. The difference in the percentage change for the production of chromite (gross weight) versus the production of chromium oxide (Cr_2O_3 content) was attributed to a higher Cr_2O_3 grade (31.9%) in the chromite mined in 2020 than that mined in 2019 (25.7%). Data on mineral production are in table 1.

Structure of the Mineral Industry

The National Agency of Natural Resources negotiates mining agreements with companies and supervises compliance with mining laws and permit requirements during the extraction and post-mining phases. The Albanian Geological Survey monitors and evaluates exploration permits. There were 802 active enterprises in mining and quarrying in 2020, including 469 engaged in quarrying of industrial minerals; 274, in the mining of metallic ores; 41, in providing support to mining activities; and 18, in the extraction of crude petroleum and natural gas. All mineral-producing companies were privately owned except crude petroleum producer Albpetrol Sh.A., which was wholly owned by the Ministry of Infrastructure and Energy. Within the mineral industry of Albania, the major companies were AlbChrome Sh.p.k. (chromium), Antea Cement Sh.A. (cement), Bankers Petroleum Ltd. (crude petroleum), Beralb Sh.A. (copper), Fushe Kruje Cement Factory Sh.p.k. (cement), and Kürüm International Sh.A. (lime and raw steel) (Albanian Geological Survey, 2021; National Agency of Natural Resources, 2021; Institute of Statistics, 2022a). Table 2 is a list of major mineral industry facilities.

Commodity Review

Metals

Chromium.—AlbChrome Sh.p.k., which was owned by Balkan Finance Investment Group (Balfin), was the country's leading chromite and ferrochromium producer. Chromite output at AlbChrome's Bulqiza Mine increased to about 100,800 metric tons (t) in 2020 from 80,800 t in 2019 despite the COVID-19 pandemic. Meanwhile, AlbChrome's Burrel and Elbasan plants reduced production to about 37,600 t of ferrochromium in 2020 from 49,100 t in 2019 in response to lower demand on the world market because of the pandemic (Balkan Finance Investment Group, 2020, p. 34; 2021, p. 68).

In December 2020, Balfin acquired a 50% interest in Vlahen (or Villahen) Mining Sh.p.k. from Ekin Maden Ticaret ve Sanay A.S. of Turkey and became its 100% owner. Vlahen Mining held a mining permit for the Vlahen chromite mining facility in

¹Where necessary, values have been converted from Albanian lek (ALL) to U.S. dollars (US\$) at the annual average exchange rate of ALL108.65=US\$1.00 for 2020.

the Has District in northeastern Albania. Balfin projected that, once commissioned, production of chromite from the Vlahen Mine would be 100,000 metric tons per year, for a total of 1.22 million metric tons during the mine's life (Balkan Finance Investment Group, 2020, p. 23; 2021, p. 43, 63).

MINERAL INDUSTRY HIGHLIGHTS IN 2021

In 2021, Albania's real GDP increased by 8.5% owing to the rapid economic recovery from the COVID-19 pandemic; the nominal GDP was \$18.26 billion. There were 762 enterprises active in mining and quarrying in 2021, including 438 engaged in the quarrying of industrial minerals; 267, in the mining of metallic ores; 43, in providing support to mining activities; and 14, in the extraction of crude petroleum and natural gas. The mineral commodities for which production increased substantially included ferrochromium by 94%; lignite, 83%; silica sand, 38%; mined copper, 26%; marble (dimension), 13%; and Cr₂O₃ content of chromite, 11%. Production of sandstone (dimension) decreased by 15% (table 1; Bank of Albania, 2022, p. 11; Institute of Statistics, 2022a; World Bank, The, 2022).

In December 2021, Balfin signed an agreement with Yildirim International Mining Investments of Turkey to sell AlbChrome. Yildirim was a holding company that engaged in the manufacturing of chemicals, in mining, and in port management. It aimed to complete the acquisition of AlbChrome in 2022 (Albanian Daily News, 2021).

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TABLE 1
ALBANIA: PRODUCTION OF MINERAL COMMODITIES¹

(Metric tons, gross weight, unless otherwise specified)

Commodity ²	2017	2018	2019	2020	2021	
METALS						
Chromium, mine, chromite, marketable:						
Gross weight	808,016	1,142,719	1,288,315	626,627	650,200	
Cr ₂ O ₃ content	283,000	219,000	331,000	200,000	221,000	
Copper, mine, concentrate, Cu content	--	2,520 ^r	2,080 ^r	3,520	4,430	
Ferroalloys, ferrochromium	51,033 ^r	92,850 ^r	66,402 ^r	53,543	103,700	
Iron and steel:						
Raw steel	338,480	395,656	405,597	390,000 ^e	400,000 ^e	
Products, rolled	315,702	371,092	374,523	370,000 ^e	370,000 ^e	
Nickel, mine, laterite ore:						
Gross weight	548,762	385,710	325,243	432,673	470,552	
Ni content	4,939	4,204	2,830	3,764	4,094	
INDUSTRIAL MINERALS						
Cement, hydraulic	thousand metric tons	1,930	1,770 ^r	1,770 ^r	2,522	2,503
Clay, kaolin	do.	955	708	750 ^e	925	879
Gypsum, mine		104,120	102,016	106,070	111,880	116,295
Lime ^c		24,000	24,000	24,000	31,000	31,000
Sand and gravel, industrial, silica	thousand metric tons	10	21	23	21	29
Stone, construction:						
Crushed, limestone	do.	5,579	5,568	5,600 ^e	6,400 ^e	5,860 ^e
Dimension:						
Marble		18,077	14,923	15,000 ^e	19,336	21,852
Sandstone		9,999	11,243	11,000 ^e	13,292	11,355
MINERAL FUELS AND RELATED MATERIALS						
Coal, lignite		66,000	140,000	44,000	60,000	110,000
Natural gas, gross	thousand cubic meters	88,100	78,400	69,000	53,000	53,000
Petroleum:						
Crude	thousand 42-gallon barrels	7,029	6,678	7,367	5,556	5,220
Refinery:						
Diesel	do.	1,181	NA	NA	NA	NA
Petroleum coke	do.	581	NA	NA	NA	NA

^eEstimated. ^rRevised. do. Ditto. NA Not available. -- Zero.

¹Table includes data available through September 21, 2022. All data are reported unless otherwise noted. Estimated data are rounded to no more than three significant digits.

²In addition to the commodities listed, bauxite, bitumen (natural and refined), common clay, dolomite, olivinite, and sea salt may have been produced, but available information was inadequate to make reliable estimates of output.

TABLE 2
ALBANIA: STRUCTURE OF THE MINERAL INDUSTRY IN 2021

(Thousand metric tons unless otherwise specified)

Commodity		Major operating companies and major equity owners	Location of main facilities ¹	Annual capacity ^e
Bitumen, natural		Bitumi Selenica Sh.A.	Selenica Mine and smelter, southwestern Albania	3,500
Cement		Antea Cement Sh.A. (TITAN Group, 80%, and International Finance Corp., 20%)	Plant at Boka e Kuqe, Burizane, 35 km north of Tirana	1,500
Do.		Colacem Albania Sh.p.k. (Colacem S.p.A., 100%)	Balldre plant, Lezhe, northwestern Albania	500
Do.		Elbasan Cement Factory Sh.p.k. (Seament Holding, 100%)	Elbasan plant, central Albania	150
Do.		Fushe Kruje Cement Factory Sh.p.k. (Seament Holding, 100%)	Fushe Kruje plant, 30 km north of Tirana	1,330
Chromium, mine, Cr content		AlbChrome Sh.p.k. (Balkan Finance Investment Group, 100%)	Bulqiza Mine, 40 km northeast of Tirana	110
Do.		Numerous small producers	Mines in Bulqiza, Kukes, Librazhd, and Tropoja deposits	NA
Copper, mine, crude ore, gross weight		Beralb Sh.A. (Ekin Maden Ticaret ve Sanayi A.S., 50%, and Jiangxi Copper Co. Ltd., 50%)	Karma 2 Mine near Shkodra	150
Do.		do.	Lak Roshi Mine, 14 km from Fushe-Arrez	200
Do.		do.	Munella Mine, 25 km from Fushe-Arrez	300
Ferroalloys, ferrochromium		AlbChrome Sh.p.k. (Balkan Finance Investment Group, 100%)	Burrel Ferrochrome plant, northern Albania	36
Do.		do.	Elbasan Ferrochrome plant, central Albania	36
Do.		do.	Klos Traverbank plant, eastern Albania	NA
Lime		Kürüm International Sh.A. (Kürüm Holding, 100%) ²	Plant at Elbasan, 32 km southeast of Tirana	72
Limestone		Antea Cement Sh.A. (TITAN Group, 80%, and International Finance Corp., 20%)	Quarries in Boka e Kuqe, Burizane, 35 km north of Tirana	5,000
Do.		Fushe Kruje Cement Factory Sh.p.k. (Seament Holding, 100%)	Quarries in Fushe Kruje, 30 km north of Tirana	4,000
Natural gas	million cubic meters	Delvina Gas Co. Ltd. (Ionian Gas, 75%, and TransAtlantic Ltd., 25%)	Delvina gasfield in southern Albania	70
Do.	do.	Phoenix Petroleum Sh.A.	Gasfields in Ballaj-Kryevidh, Divjaka, Frakulla, Panaja, and Provelca, southwestern Albania	35
Nickel, mine, ore		Alfa Nikel Ltd.	Bilisht Mine in Devoll, Korca	200
Do.		Feni Korcha & Albanian Resources (Cunico Resources NV, 100%)	Bitincka Mine near Kapstica, Guri-I-Kuq Mine near Pogradec, and Nome Mine in Kukes	1,000
Petroleum:				
Crude	42-gallon barrels per day	Albpetrol Sh.A. (Government, 100%)	Oilfields in Amonica, Cakran-Mollaj, Gorisht-Kocul, and Karbunare	1,100
Do.	do.	Bankers Petroleum Ltd. (Geo-Jade Petroleum Corp., 100%)	Oilfields at Kucova and Patos-Marinza, east of Fier in south-central Albania	20,000
Do.	do.	Fin Pek Petroleum Sh.A.	Oilfield in Finiq-Krane	NA
Do.	do.	GBC Oil Co.	Oilfields in Ballsh-Hekal, Cakran-Mollaj, and Gorisht-Kocul in southwestern Albania	1,000
Do.	do.	Phoenix Petroleum Sh.A.	Oilfield in Drashovice	NA
Do.	do.	Sherwood International Petroleum (Bankers Petroleum Ltd., 100%)	Oilfield in Kucova, south-central Albania	60
Do.	do.	Transoil Group	Oilfield in Visoke-Kolonje, northwestern Albania	500
Refined	do.	Al.Global Oil (Europetrol Group)	Fier refinery, southwestern Albania	10,000
Do.	do.	Shijaku Co.	Ballsh refinery, ³ southern Albania	20,000
Steel, raw		Kürüm International Sh.A. (Kürüm Holding, 100%) ²	Electric arc furnace plant at Elbasan	510

^eEstimated. Do., do. Ditto. NA Not available.

¹Abbreviations used in this table for units of measure include the following: km kilometer.

²Kürüm International Sh.A. filed for bankruptcy in March 2016. Bankruptcy proceedings for the reorganization started in April 2016 and ended in December 2018.

³Operations at the refinery had been halted since 2019. Shijaku Co. purchased the refinery from Credins Bank in 2021.