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SUB-COMMITTEE ON SOVIET ECONOMIC POLICY

THE ECONOMIC SITUATION IN ALBANIA

Note by the Netherlands Delegation (1)

The Netherlands, having no diplomatic or consular mission in Albania, can only contribute to a very limited extent towards providing answers to the questions, raised by the United States Delegation in AC/88-WP/91. A few remarks can, however, be made:

Paragraph 1

Albania has concluded trade agreements with Poland, Hungary, Czechoslovakia, Bulgaria, North Korea and the "German Democratic Republic", while trade negotiations with Rumania, Cuba and North Vietnam are still in progress. With regard to the agreements already concluded, the following details are known:

- (a) A trade and payments agreement with Poland was concluded on 18th January, 1962, valid for the year 1962. Under this agreement, Poland will supply industrial installations, raw materials and consumer goods; in exchange, it will receive chromium ore, asphalt and copper.
- (b) A trade and payments agreement, valid for 1962, was concluded between Albania and Hungary on 4th March, 1962, in the frame of the long-term agreement between the two countries, concluded in 1961. It provides for Hungarian supplies of aluminium products, pharmaceuticals, chemicals and cement, while Albanian exports to Hungary will comprise chromium

(1) This note is circulated in compliance with the desire expressed at the Sub-Committee's meeting on 6th July, 1962, for a continued exchange of information on the economic situation in Albania (Reference: AC/89-R/46, Item IV).

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ore, nickel-containing iron ore, copper, bitumen, hides and medicinal herbs. According to the official communiqué, the negotiations between the two countries took place "in a sphere of mutual understanding".

- (c) A protocol on the exchange of goods during 1962 between Albania and the "German Democratic Republic" was signed in Tirana on 30th March, 1962. East Germany will supply industrial products, chemicals and chemical fertilizers; Albania will export chromium ore, oil, copper, bitumen and fresh vegetables. The protocol is based on a trade agreement, concluded between the two countries for the period 1961-1965.
- (d) In 1962, Albania's trade with Communist-bloc countries will amount to 90.3% of its total external trade. China's share, which was 28% in 1961, will rise to 59% in 1962. Czechoslovakia's share, which amounted to 15% in 1961, will be 17.4% in 1962.
- (e) According to some reports, "Aeroflot" and the Hungarian airline company "Malev" still maintain regular services to Tirana.
- (f) Considerable numbers of Chinese are said to be engaged in the construction of buildings in Tirana. According to some reports, the number of Chinese in Albania is to be considerably increased in 1962.

Paragraph 2

In 1962, trade with non-communist countries will be less than 10% of Albania's total external trade. So far as known, Albania has trade agreements with Ghana, the United Arab Republic, Brazil, Austria and Iraq. Some exchange of goods takes place with Italy, the Federal Republic of Germany, Belgium, France, Sweden, Switzerland, the United Kingdom and the Netherlands but no trade agreements have been concluded with these countries. In 1961, trade with the Netherlands amounted to H.fl.12000.- (Approximately United States \$3300).

With regard to the trade agreement with Ghana, it may be worth mentioning that at Accra, an Albanian delegation discussed technical assistance to be given by Albania in the fields of irrigation, housing development, the construction of bridges and the building of a sports stadium. Some of these projects would be joint Albano-Chinese ventures.

Paragraphs 7(a)3, 7(b) and 8(c)

As far as the Netherlands is concerned, the answers to these questions are in the negative.

OTAN/NATO,  
Paris, XVIe.