

Albania cement market to grow at lower level						
	2022A	2023A	2024A	2025F	2026F	2027F
Consumption (Mt)	1.895	1.950	2.027	2.089	2.161	2.230
Change %	6.0	2.9	3.9	3.1	3.4	3.2
Production (Mt)	1.984	1.986	1.908	1.967	2.034	2.099
Exports (Mt)	0.318	0.350	0.428	0.441	0.456	0.470
Imports (Mt)	0.443	0.509	0.647	0.688	0.744	0.795
Source: ICR Research						

Cement consumption in Albania is supported by a strong residential building market. Infrastructure development may yet bolster this further.

With a GNI per capita of just \$21,110, Albania is one of the poorest countries in Southern Europe. Around 8% of its GDP stems from remittances sent by citizens who have migrated to other countries to work with a net annual migration of around 0.3% annually. It is seeing rapid urbanisation and a housing boom in its capital Tirana. In 2024, with 1.99m sqm of building permits issued, residential construction accounted for 79.6% of building construction compared to 510,000 sqm of non-residential buildings in the country. Some mid-sized infrastructure projects on road and rail have been started in recent years and there are plans for a 1m sqm port in the country but it remains to be seen if this is completed.

Consumption

Cement demand in 2024 was in the region of 2.027Mt, led in a large part by the boom in residential construction in Tirana. This was supported by the upgrades of 100km of regional roads and railways to serve the tourism sector in a project funded by loans and grants by the European Union. The country has a favourable tax environment for foreign investors and much of the building boom in the capital is due to such investment. Cement consumption per capita is around 724kg, up from 688kg in 2023.

Production

Albania's cement industry comprises two integrated plants and two grinding units, with a total capacity of 3.53Mta. Lebanon-based Seament Holdings is the largest producer by capacity with a 1.33Mta integrated works in Fushë-Krujë and a 0.30Mta grinding unit in Elbasan. ANTEA Cement (Titan) has a 1.4Mta integrated plant near Fushë-Krujë that also has a clinker production capacity of 3,300t per day. In 2023 the company reported a 2.0% YoY fall in sales revenues €122,807m thanks to a decline in exports that year [1]. Colacem Albania owns a 0.50Mta grinding works in northwestern Albania, and in 2023 reported revenues of €32.251m, a 6.5% YoY growth [2].

Trade

In 2024, cement exports grew 22.3% YoY to 0.428Mt, with Montenegro the largest country customer receiving 0.143Mt, and Italy and Serbia taking 0.1Mt each. Driven by the building boom in Tirana, there was a 74.2% YoY increase in imports of cement into Albania, with 0.536Mt of the 0.547Mt imported coming from Türkiye. While cement imports grew strongly in 2024, clinker imports, all from Türkiye, fell 37.9% YoY to 99,500t.

Outlook

GDP is set to rise steadily at around 3.5% YoY in the coming years, though population is falling by 0.3% YoY due to economic migration. The widely touted 1.035m sqm Porto Romano greenfield port construction project that would serve Albania, Serbia and Kosovo could yet significantly improve demand for cementitious materials in the country. Government ambition however does not match the success of the project to date, and with other major infrastructure projects left uncompleted in recent years there is no guarantee that this will be. The building boom in Tirana is again partly supported by government but this again might not last with some questions as to the sources of the foreign investment. Consequently, there may be some volatility in Albania's cement demand in the coming years.

Note to editor

[1] From Antea annual report <https://www.anteacement.com/wp-content/uploads/2024/08/ANTEA-Cement-Consolidated-FInancial-Statements-2023.pdf>

[2] From Colacem annual report (in Italian)

[https://www.colacem.com/downloads/3268/1424/COLACEM bilancio esercizio 2023.pdf](https://www.colacem.com/downloads/3268/1424/COLACEM_bilancio_esercizio_2023.pdf)