

“For some recommendations concerning the concession contract for the projection, financing, design, production and setting up a system for emission, distribution, locating and monitoring of fiscal stamps and control stamps drugs ”

Competition Authority, based on the concerns of the business community made constantly present in the media, conducted the assessment process of the concession agreement for the provision of public service for fiscal stamps.

The concession agreement between the Ministry of Finance and society SICPA Holding SA was signed on 30 November 2012. The Concessional Society SICPA HOLDING SA is a joint stock company registered according to the laws of Switzerland.

By comparing prices of fiscal stamps before and after the award of the concession, turns out that for cigarettes and alcohol the postage prices is increased about 4 times, being added cost to the business. The sales price of fiscal stamps before the concession agreement has been: 0.49992 cigarette fiscal stamps ALL / VAT pieces and fiscal stamps 1.20 beverages ALL / VAT pieces. After the award of the concession the price of fiscal stamp has changed as follows: 2.7 ALL tobacco, 4.4 ALL alcohol, 3 ALL beer and 2.9 ALL drugs.

The assessment of concession agreement shows that, before the conclusion of the concession agreement are not respected the provisions of Laws 9121, dated 28.07.2003 "On Protection of Competition", as amended, and specifically is not respected Article 69 of the Law "On Protection of competition "under which must be received assessment of the Authority.

The Competition Authority has a legal obligation to assess the exclusive and specific rights given on the territory of the Albanian Republic referred to in Article 2 point c) of Law "On Protection of Competition", Resolution of the Parliament, as well as compliance obligations under the Stabilization and Association Agreement (CA is the leader and coordinator of Chapter 8 and has an obligation to report on individual and exclusive rights territory in Albania).

By the Competition Commission is asked the assessment of the Ministry of Finance on economic rationale and justification of the concession in the sense that the grant of an exclusive right to a private operator that is followed by increasing the cost of business for fiscal stamps, if there was or not affected the intent for which it was given concession, increase of fiscal revenues, fighting evasion and smuggling of excise products. Ministry of Finance in its letter No. 372/2, dated 06.10.2014, says there isn't any economic evaluation concession given either in the preliminary stage (ex-ante) and even in the current phase (ex-post).

Also is requested to the concessionaire to bring detailed information on cost, investment and relevant information related to the process of obtaining concession. Concessionaire through the letter 372/3 dated 08.10.2014, has sent concession contract and the financial statements, but not the arguments and economic analysis justification accompanying the concession agreement.

Implementation of the concession for the production of fiscal stamps for drugs is not realized yet to this day. Establishing a fee 2.3 ALL per piece higher for each drug would be a high cost for pharmaceuticals products, which have a very high sensitivity to the consumer.

For these reasons, the Competition Commission decided to recommend to the Ministry of Finance and Ministry of Economic Development, Trade and Enterprise, to conduct economic and technical evaluation on the applicability of the terms of the concession and analysis of economic justification concession, which is followed by increasing the cost of business for stamps fiscal. In this assessment identified the fulfillment of the purpose for which is given concession, as fiscal revenue growth and fighting evasion and smuggling of excise products.

The Competition Commission has recommended to review the concession, for the fiscal stamps drugs as found that their production has not started yet, and brings high costs for pharmaceutical products which are very sensitive.