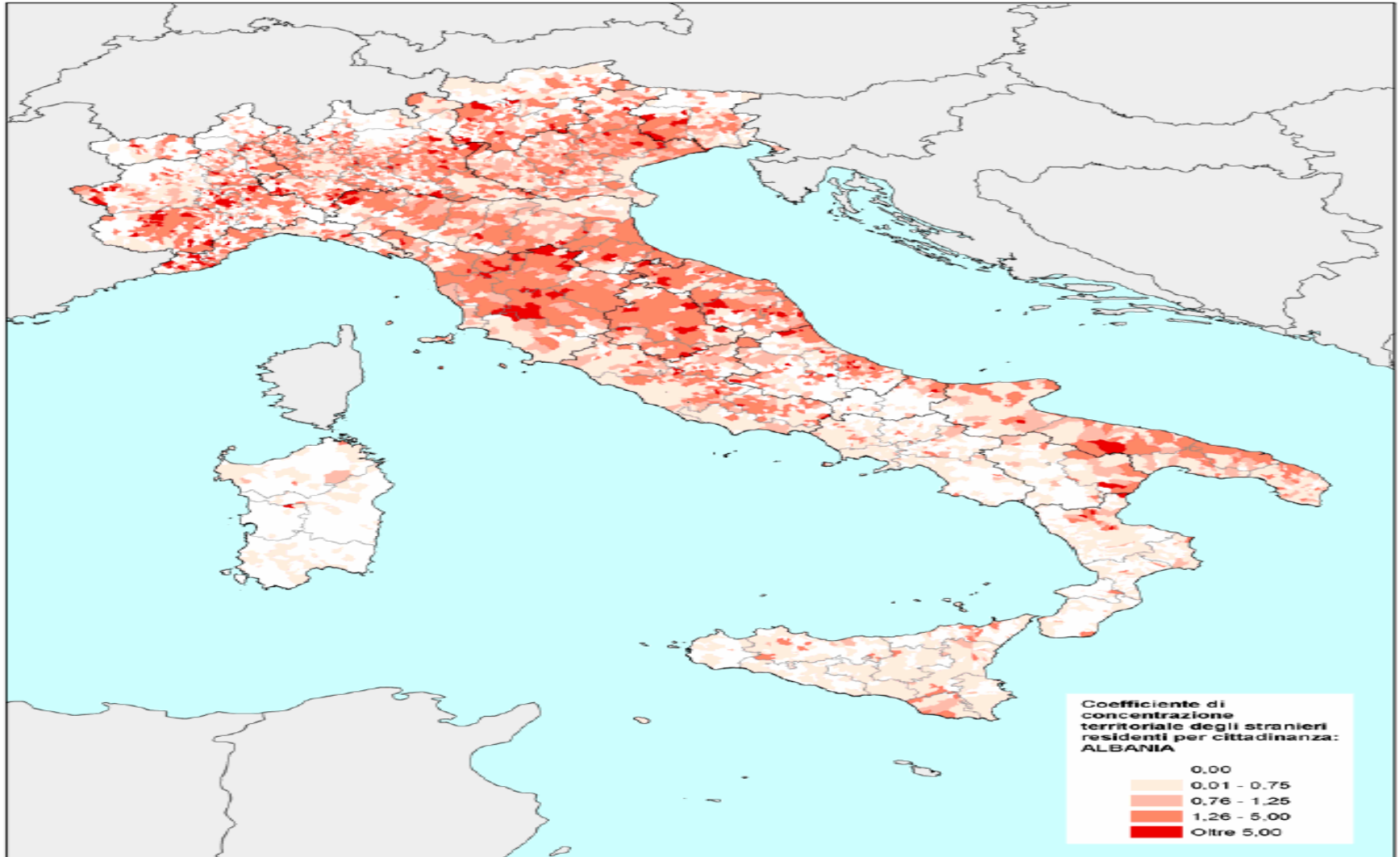


Understanding the Italian-Albanian Remittances Market

by
Pierfrancesco Gaggi
Associazione Bancaria Italiana

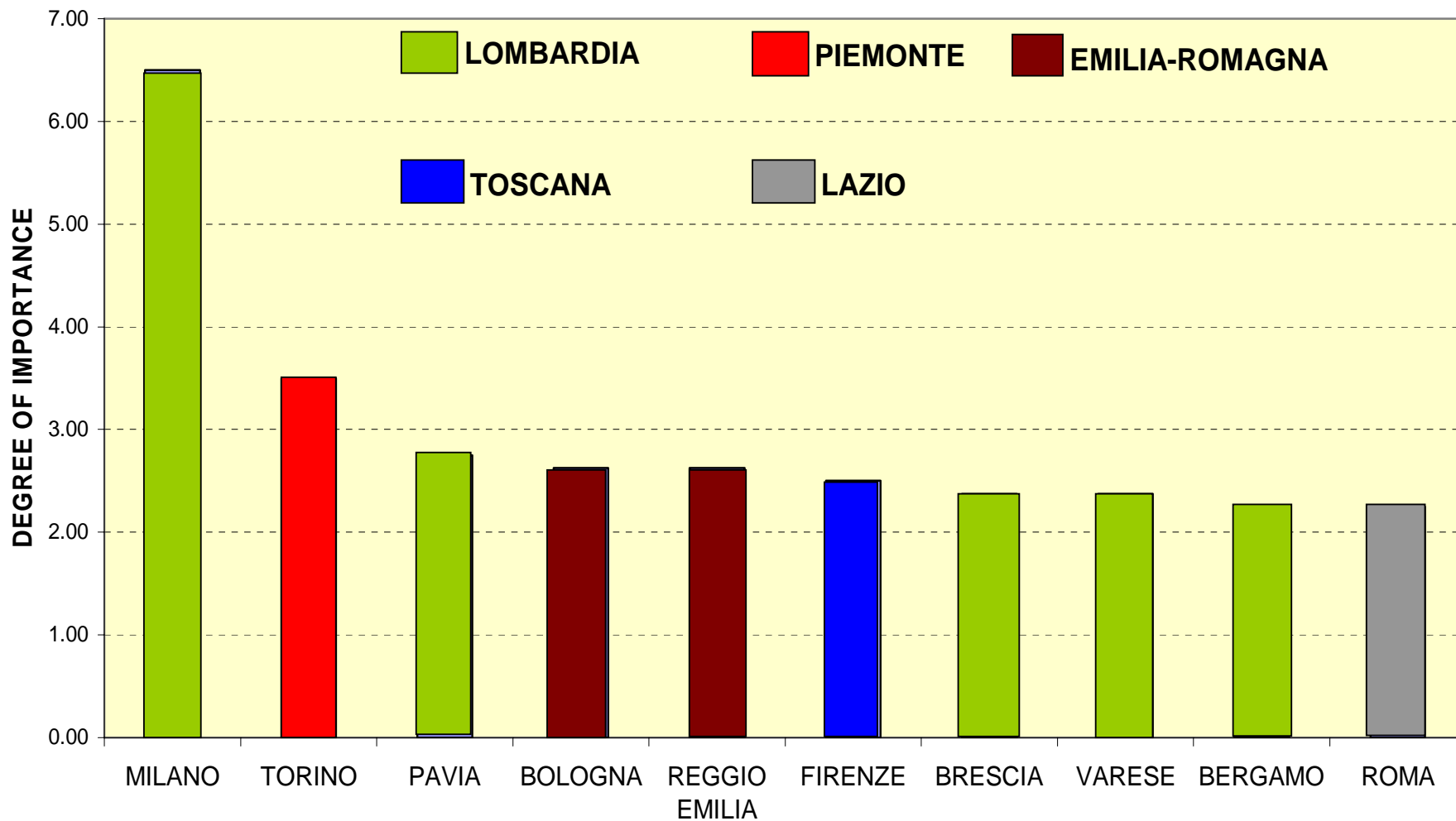
Albanian Association of Banks – Meeting
Tirana, 27 July, 2006



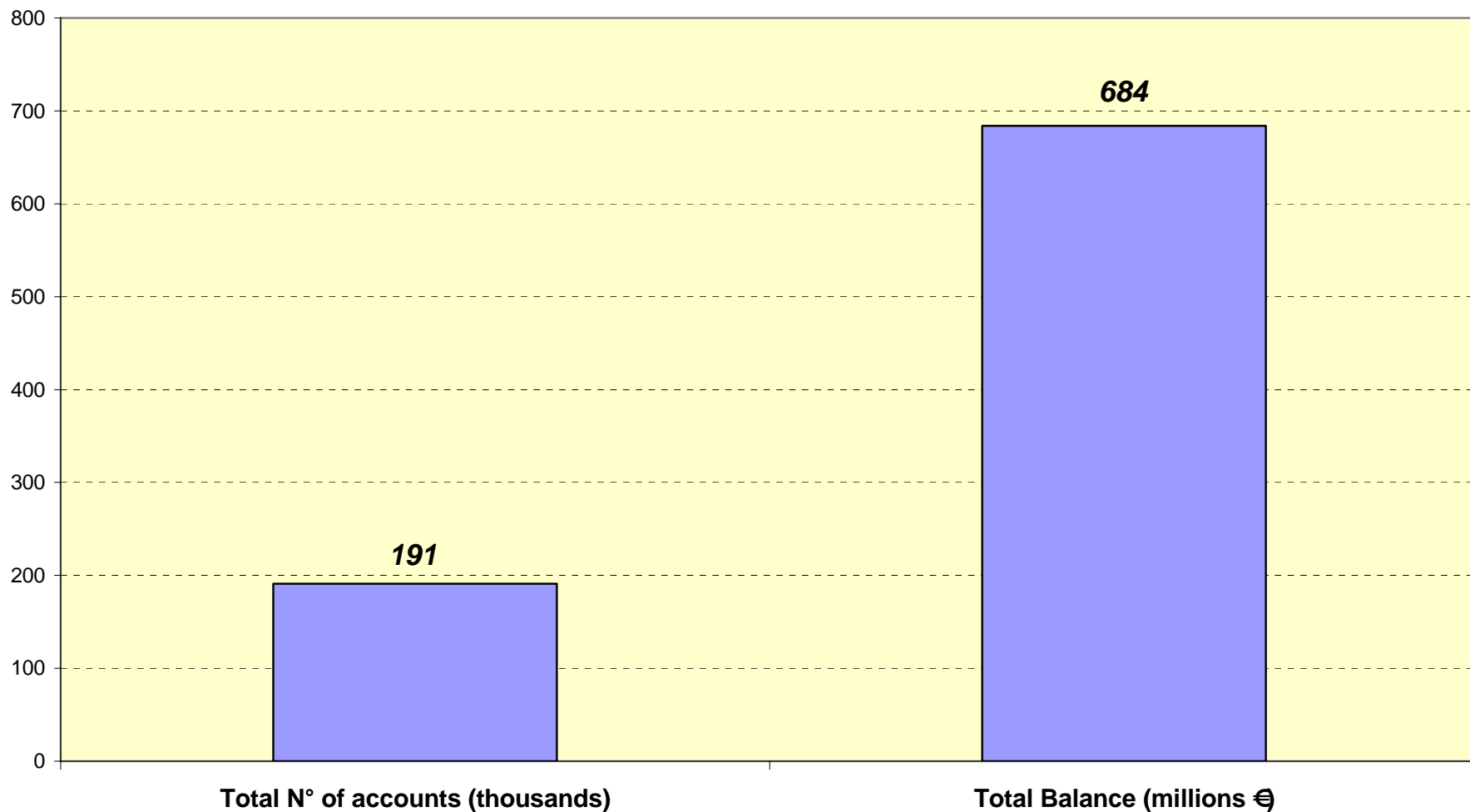
- ❑ ABI prepared 2 questionnaires: a “basic” questionnaire and a “detailed” questionnaire, sent to 2 samples of banks
- ❑ 23 Banks responded to the “basic questionnaire”, covering 44% of Italian banking system assets
- ❑ 9 banks responded to the detailed survey, including 4 out of the 5 major Italian banks
- ❑ Respondents to the basic survey cover 34% of Albanian migrants’ potential market
- ❑ Respondents to the detailed survey cover 23% of Albanian migrants’ potential market

Bank Name	Total Assets (Euro Billion)	Responded to Detailed Questionnaire
Unicredit	266	X
San Paolo-IMI	211	X
MPS	154	X
Capitalia	133	X
BPU	64	
Antonveneta	45	
BP Lodi	44	
BP Milano	28	X
BP Emilia-Romagna	20	X
Banca Toscana	17	
Mediolanum	15	
Banco di Brescia	15	X
CR Parma e Piacenza	15	X
BP Sondrio	12	
Banca Marche	12	
Banco di Sardegna	10	
ICCREA	7	
ICBPI	5	
Rasbank	4	
Banca Regionale Europea	1	X
BCC Treviglio	1	

THE 10 MOST IMPORTANT PROVINCES

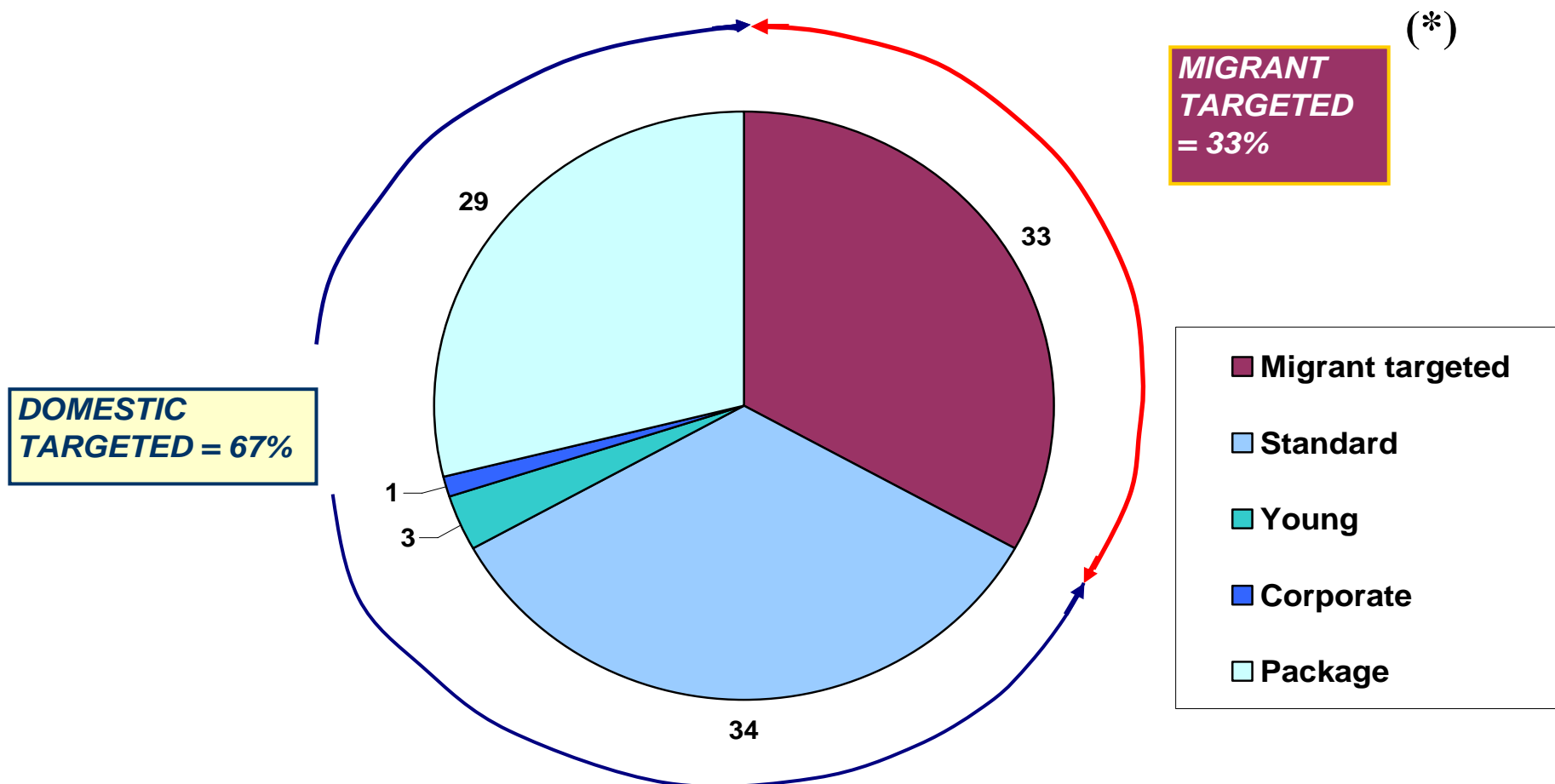


ESTIMATED CHECKING ACCOUNT DEPOSITS OF ALBANIAN CLIENTS



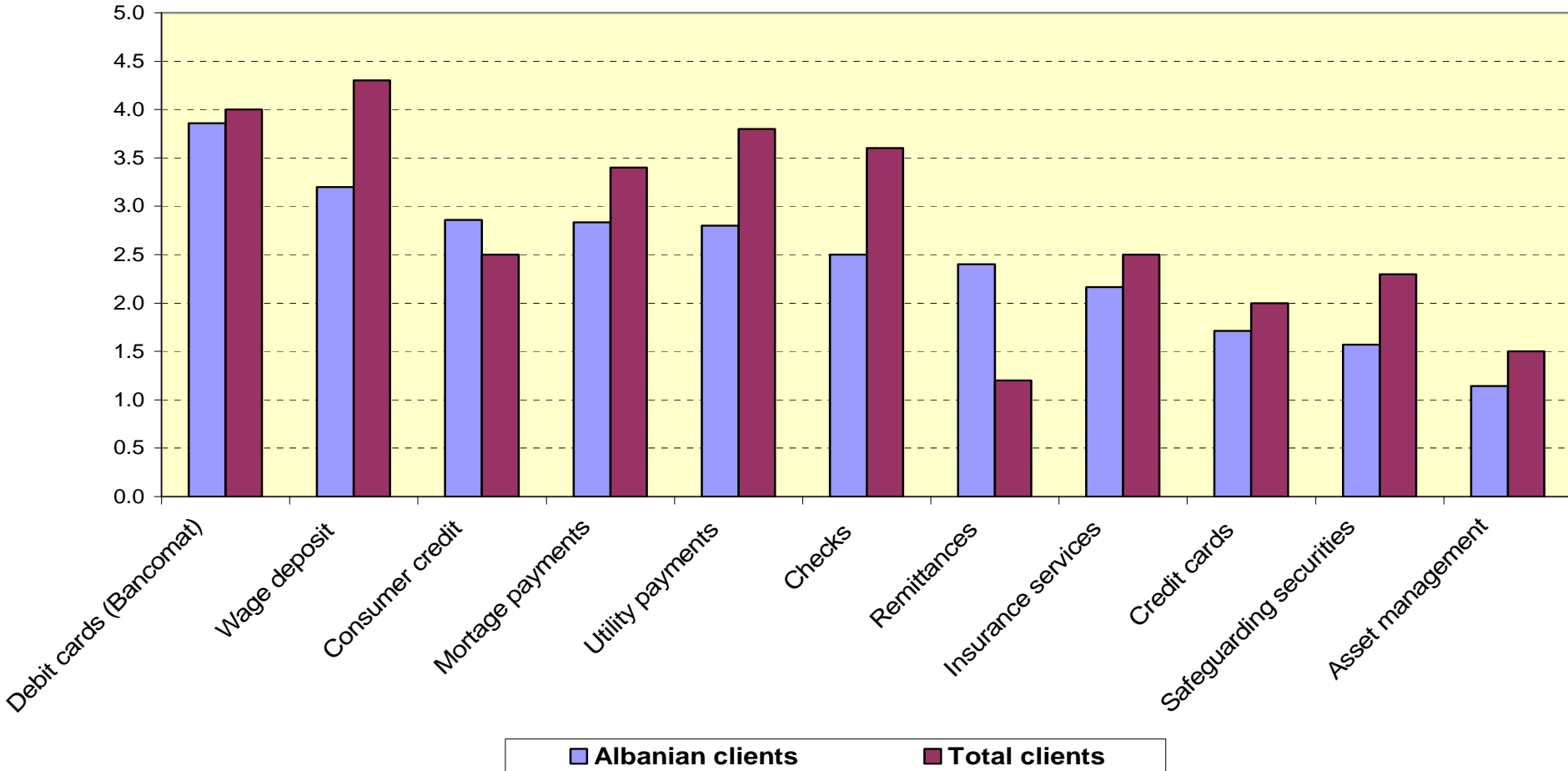
Little role for dedicated checking accounts

CHECKING ACCOUNT TYPE OF ALBANIAN CLIENTS (IN %)



(*) 90% for one of the top 4 banks; market average excluding this data is 25%

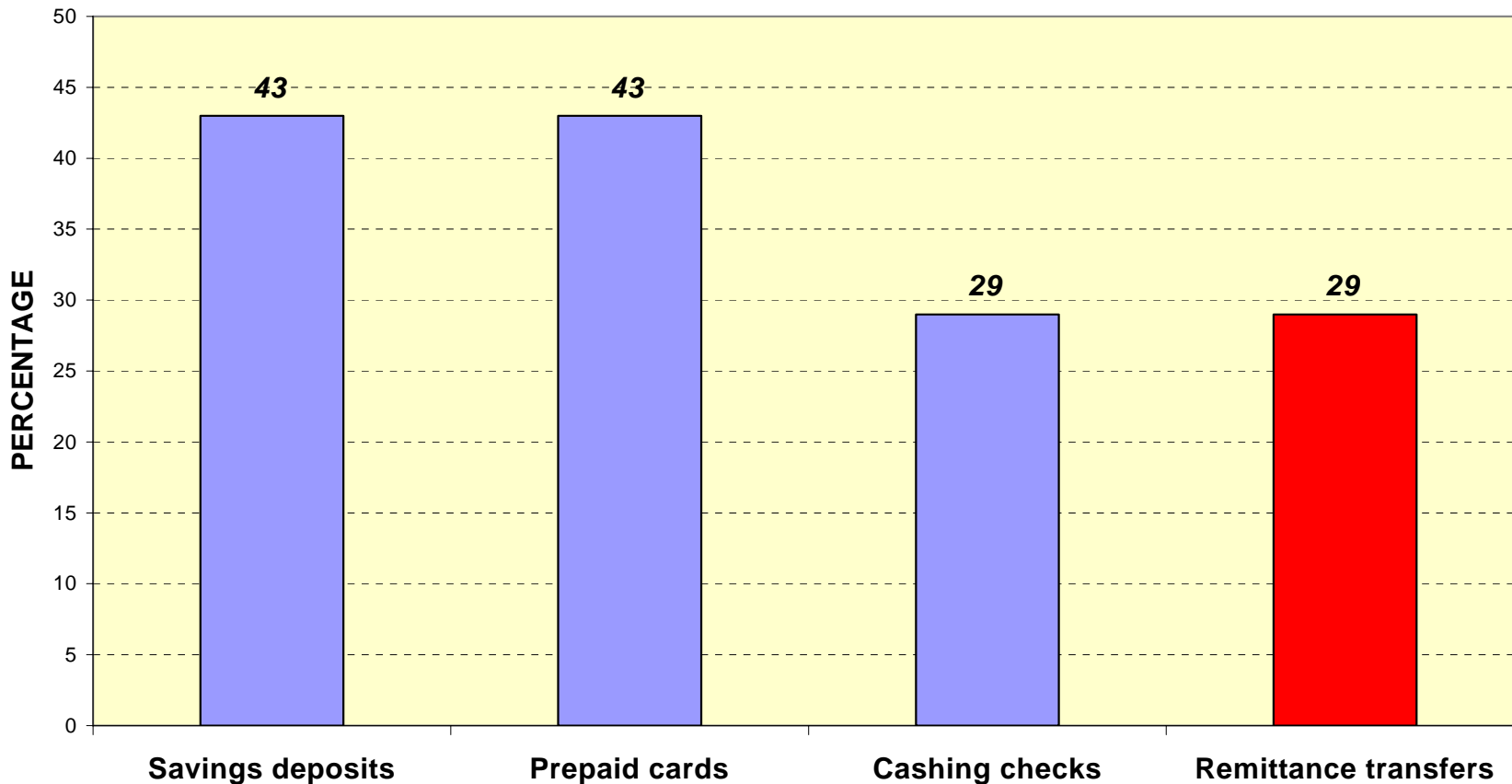
ASSESSING THE USE OF VARIOUS BANKING SERVICES



Scale 1=no use; 2=little; 3=average; 4=above average; 5=always

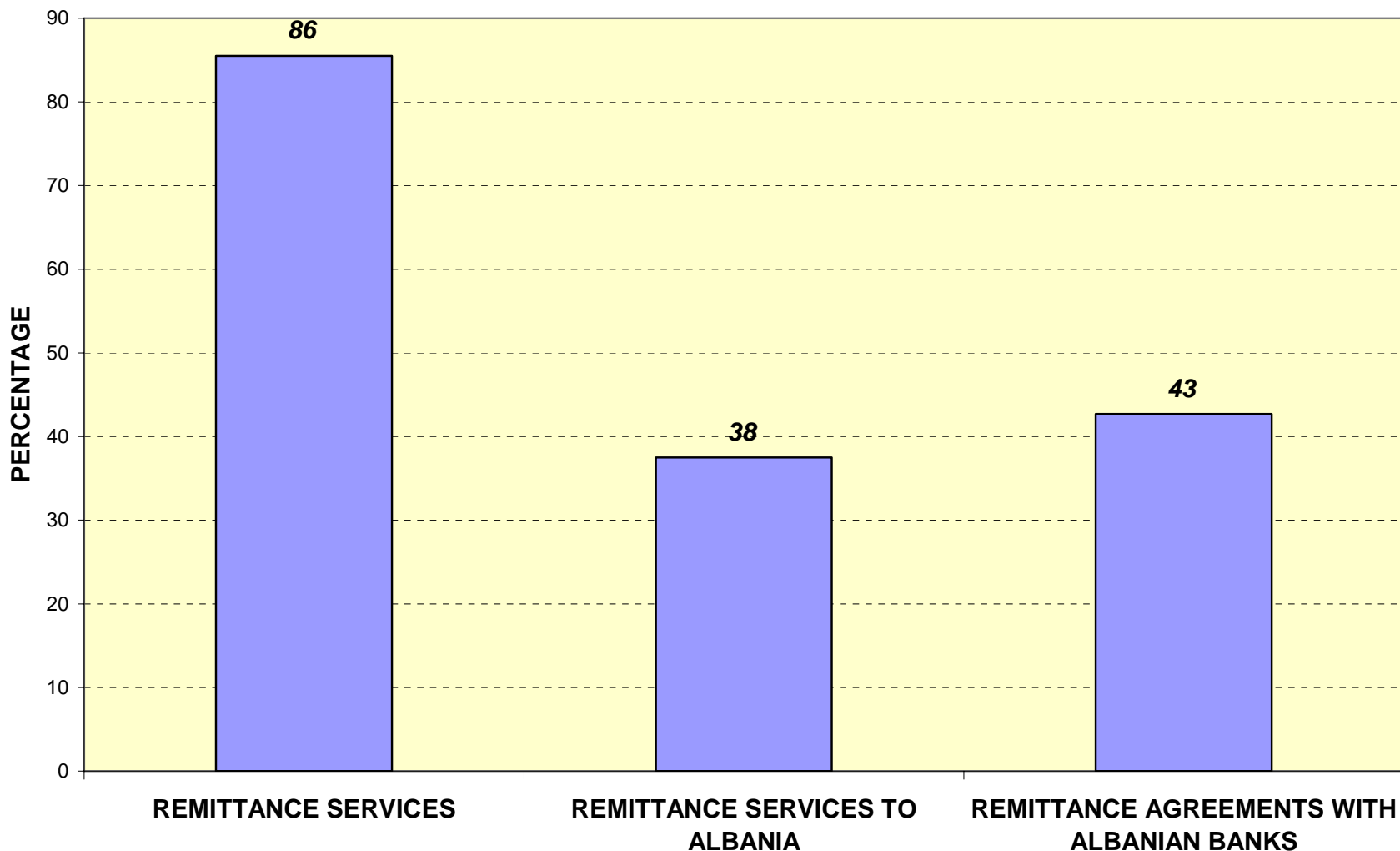
Remittance transfers not very popular with Albanians without checking accounts

TYPE OF SERVICE TO ALBANIANS WITHOUT CHECKING ACCOUNT

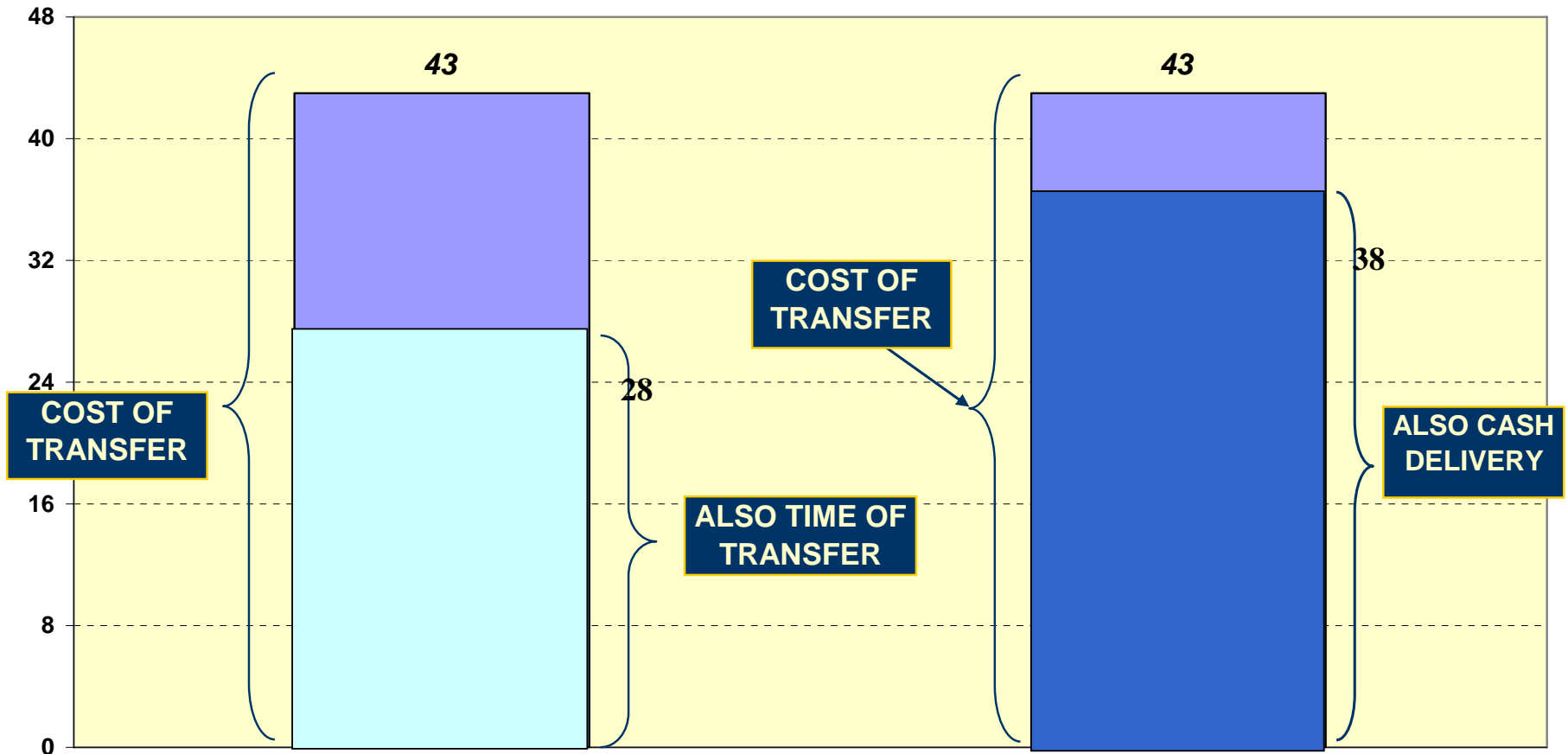


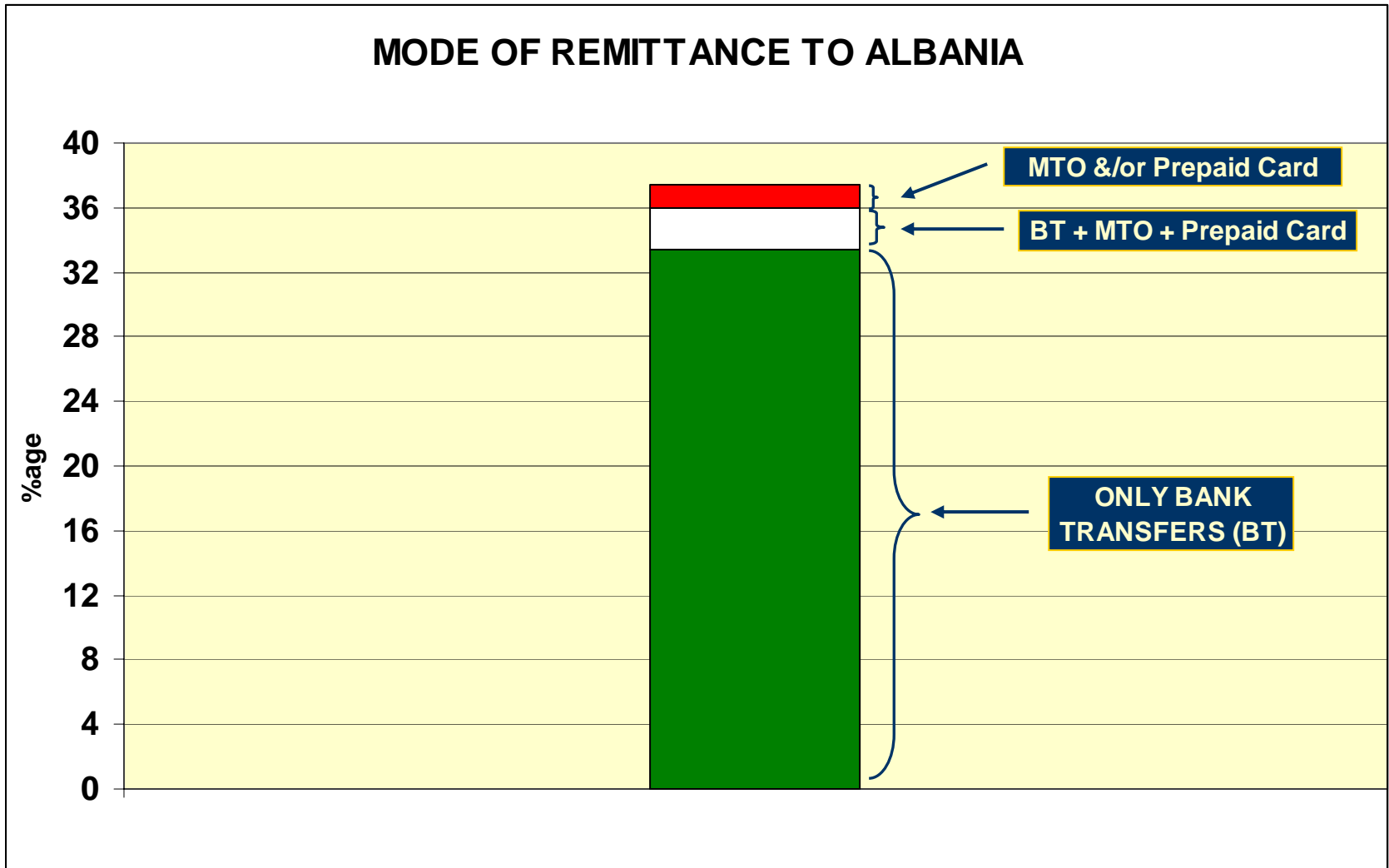
Only two banks out of five active in the remittances services do business with Albania

SHARE OF ALBANIAN MIGRANTS' POTENTIAL MARKET COVERED BY BANKS SUPPLYING:

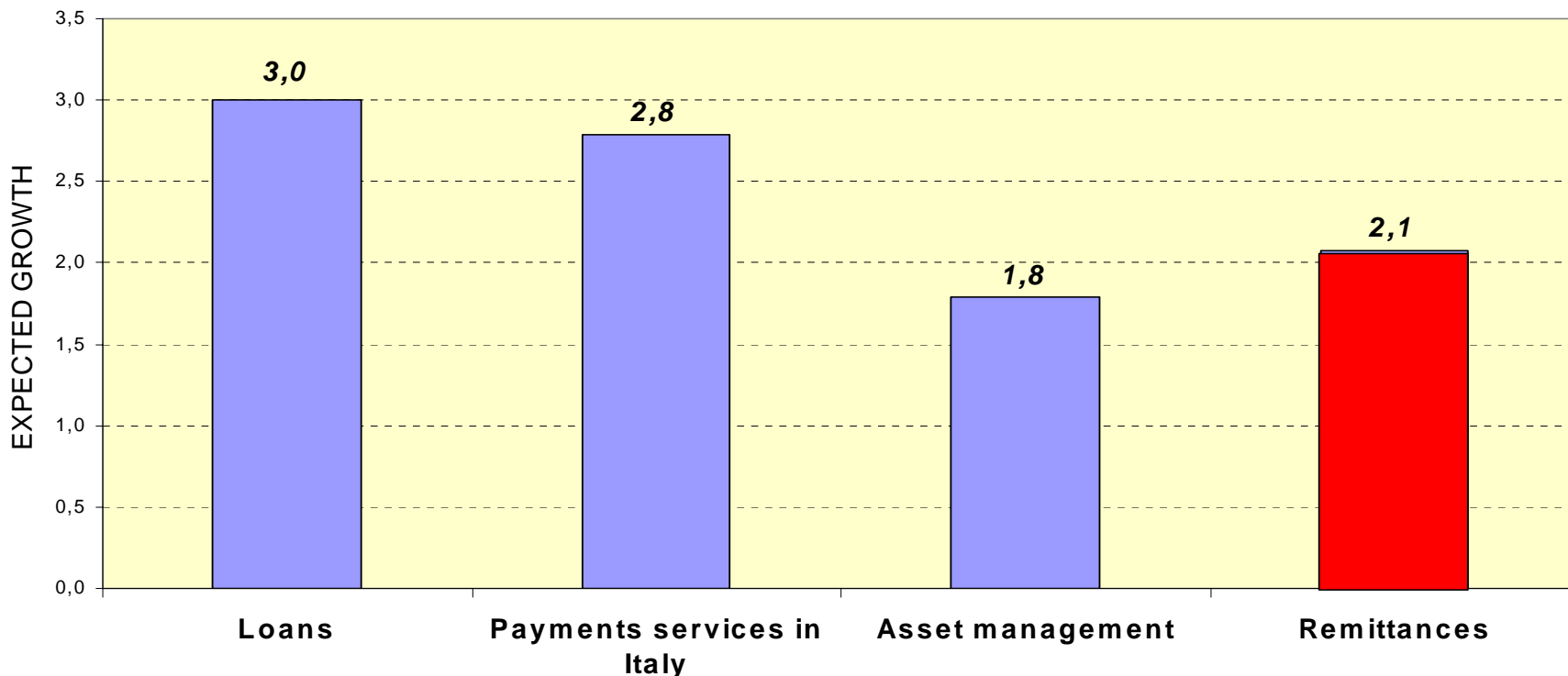


REMITTANCE AGREEMENTS WITH ALBANIAN BANKS (% MARKET SHARE)





EXPECTATIONS ABOUT THE FUTURE USE OF BANKING SERVICES BY ALBANIAN MIGRANTS



scale 1 = none; 2 = little; 3 = average; 4 = above average; 5 = strong

- ⇒ Albanian customers are only partially banks' customers
- ⇒ Remittances are an important service in the Albanian customer view
- ⇒ Italian banks are interested in offering remittances as a service enabling them to acquire a relevant share of new customers
- ⇒ In perspective, Italian banks see loans and transactional activity in Italy as the most promising business areas in the relationship with Albanian customers
- ⇒ It seems very central, both for Italian and Albanian banks to increase the number of bilateral agreements concerning remittances (... and not only!)
- ⇒ ABI ready to work with AAB and Convergence (WB) in order to improve the remittances' flows



**THANK YOU FOR YOUR
ATTENTION!**

Pierfrancesco GAGGI

Deputy Central Director – Market Services Area

Associazione Bancaria Italiana

p.gaggi@abi.it