

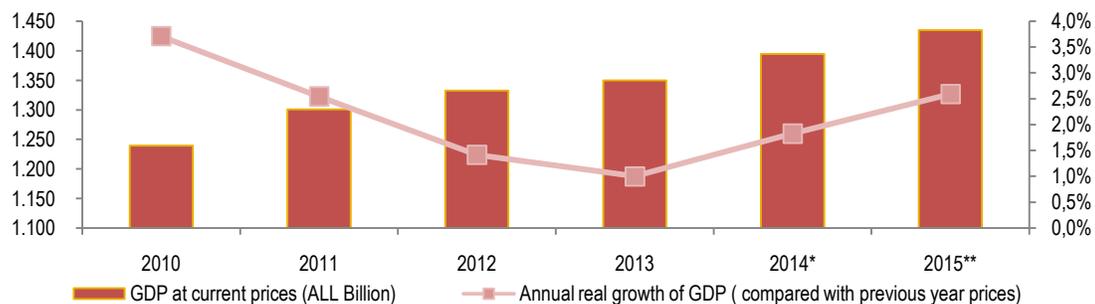
Gross Domestic Product, 2015

Preliminary estimates 2015

Tirana, December 13, 2016: INSTAT presents to users preliminary annual results of Gross Domestic Product (GDP) for the year 2015.

During year 2015, Albanian economy performed a real GDP growth rate by +2.59 % compared with year 2014, after a growth rate by +1.83% in year 2014 compared with year 2013.

Fig 1. GDP and real growth rate, 2010-2015



According to data on annual basis, GDP at current prices was estimated ALL 1,434,740 million (EUR 10.3 Billion) in the year 2015 and ALL 1,394,419 million (EUR 10.0 Billion) amounted in the year 2014. In 2015, GDP per capita amounted to ALL 497 thousand (or EUR 3,554) from ALL 482 thousand (or EUR 3,443) in year 2014.

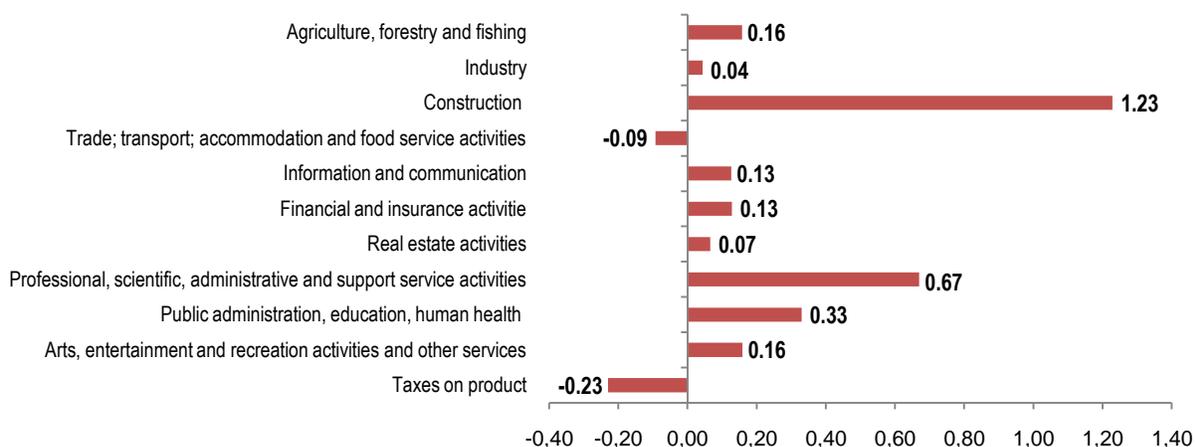
Tab.1 Main macroeconomic indicators (2014-2015 me at current prices)

Indicators	Years	
	2014*	2015**
Gross Domestic Product at current prices (in ALL millions)	1,394,419	1,434,740
Gross National Income (in ALL millions)	1,377,713	1,413,939
Annual real growth of GDP at constant prices compared to previous year (in %)	1.83	2.59
GDP deflator (in %)	1.4	0.3
Average annual population (in thousand inhabitants)	2,894	2,889
Gross Domestic Product per capita	In ALL thousand	482
	EURO	3,443
	USD	4,569

2014* Semi-final data/2015** Preliminary data

According to GDP *by production approach*, the main contribution to this growth is driven by the branches of the economy such as “Construction” by 1.23 percentage point, “Professional services and Administrative services” by 0.67 percentage point, “Public administration, Education and Health” by 0.33 percentage point, “Arts, entertainment and other services” by 0.16 percentage point, “Financial and insurance activities” by 0.13 percentage point, “Information and communication” by 0.13 percentage point and “Real estate activities” by 0.07 percentage point . The branch that gave a negative contribution is “Trade, transport, accommodation and food services” by -0.09 percentage point. Net Taxes on products contributed respectively by -0.23 percentage point.

Fig. 2 Contribution of the main branches of the economy to real growth rate of GDP 2015, in %



Related to GDP structure by economic activities, *Services* continue to represent the main share in the economy for year 2015, by 46.3 % of GDP and they increased by +3.03 % in real terms. *Industry* and *Construction* realized 21.4 % of Gross Domestic Products, but during year 2015 *Industry* rose by +0.04 % in real terms, meanwhile *Construction* increased by +14.12 %. *Agriculture, hunting and forestry* with 20.3 % share of GDP, grew by +0.79 % in real terms.

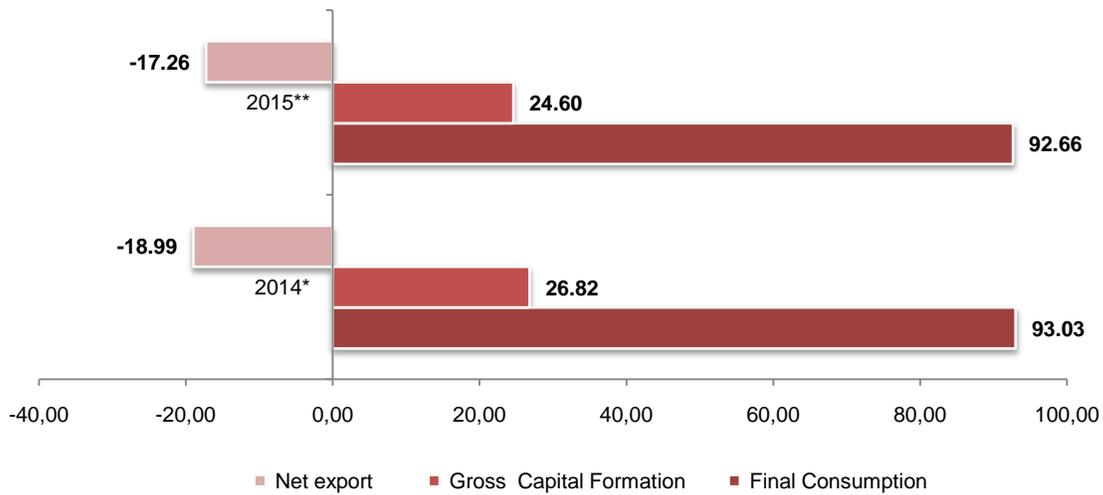
Gross Domestic Product deflator was +0.3 %.

According to GDP by expenditure approach, *Final consumption* constitutes a major share in the economy, with (92.66 %). This component rose by +2.48 % in nominal terms and +0.75 % in real terms. In the total Final Consumption, final consumption of households occupies the largest share, of 80.93 %, followed by the final consumption of General Government with 11.20 % and final consumption of non-profit institutions serving households (NPISH) with 0.53 %.

In 2015, *gross fixed capital formation*, which constitutes 26.31% of GDP, rose by +10.12% in nominal terms and +10.35 % in real terms compared with 2014.

Exports of goods and services decreased by - 0.65% in nominal terms and +0.99% in real terms, while *imports of goods and services* decreased by -3.00 % in nominal terms and -3.15 % in real terms compared with 2014.

Fig 3. Structure of GDP by expenditure approach, in %



Tab2. Economic indicators by activities, at level A10

A10	Economic activities	Values at current prices (In ALL millions)		Values at previous year prices	Real growth (%)	GDP structure (%)		Contribution
		2014*	2015**	2015**	2015**	2014*	2015**	2015**
A1	Agriculture, forestry and fishing	278,924	291,601	281,124	0.79	20.0	20.3	0.16
A2	Industry	178,543	168,275	179,151	0.34	12.8	11.7	0.04
2a	Manufacturing Industry	73,603	77,396	77,290	5.01	5.3	5.4	0.26
A3	Construction	121,402	138,658	138,539	14.12	8.7	9.7	1.23
A4	Trade; transport; accommodation and food service activities	220,230	220,335	218,943	-0.58	15.8	15.4	-0.09
A5	Information and communication	38,849	41,237	40,614	4.55	2.8	2.9	0.13
A6	Financial and insurance activities	35,160	38,975	36,956	5.11	2.5	2.7	0.13
A7	Real estate activities	85,816	85,905	86,739	1.08	6.2	6.0	0.07
A8	Professional, scientific, administrative and support service activities	70,390	81,230	79,736	13.28	5.0	5.7	0.67
A9	Public administration, education, human health	155,059	161,602	159,657	2.97	11.1	11.3	0.33
A10	Arts, entertainment and recreation activities and other services	32,560	34,926	34,778	6.81	2.3	2.4	0.16
	GVA at basic prices	1,216,933	1,262,744	1,256,238	3.23	87.3	88.0	2.82
	Taxes on product	177,487	171,996	174,290	-1.80	12.7	12.0	-0.23
	GDP AT MARKET PRICES	1,394,419	1,434,740	1,430,528	2.59	100.0	100.0	2.59

2014* Semi-final data

2015** Preliminary data

Tab.3 Nominal growth rates and structure of GDP at market prices, 2014-2015

A19	Economic Activities NACE Rev. 2	Values at current prices (In ALL millions)		Nominal growth rate (%)	GDP structure (%)	
		2014*	2015**	(2015/2014)	2014*	2015**
A1	Agriculture, forestry and fishing	278,924	291,601	4.55	20.0	20.3
A2	Mining and quarrying	69,085	43,106	-37.60	5.0	3.0
A3	Manufacturing	73,603	77,396	5.15	5.3	5.4
A4	Electricity, gas, steam and air conditioning supply	25,850	36,853	42.57	1.9	2.6
A5	Water supply; sewerage, waste management and remediation activities	10,005	10,920	9.14	0.7	0.8
A6	Construction	121,402	138,658	14.21	8.7	9.7
A7	Wholesale and retail trade; repair of motor vehicles and motorcycles	154,294	151,276	-1.96	11.1	10.5
A8	Transportation and storage	41,594	43,890	5.52	3.0	3.1
A9	Accommodation and food service activities	24,342	25,168	3.39	1.7	1.8
A10	Information and communication	38,849	41,237	6.15	2.8	2.9
A11	Financial and insurance activities	35,160	38,975	10.85	2.5	2.7
A12	Real estate activities	85,816	85,905	0.10	6.2	6.0
A13	Professional, scientific and technical activities	35,098	41,206	17.40	2.5	2.9
A14	Administrative and support service activities	35,292	40,024	13.41	2.5	2.8
A15	Public administration and defense; compulsory social security	57,149	59,266	3.70	4.1	4.1
A16	Education	59,797	61,179	2.31	4.3	4.3
A17	Human health and social work activities	38,114	41,158	7.99	2.7	2.9
A18	Arts, entertainment and recreation	17,121	16,761	-2.10	1.2	1.2
A19	Other service activities	15,439	18,165	17.65	1.1	1.3
	GVA at basic prices	1,216,933	1,262,744	3.76	87.3	88.0
	Net taxes on product	177,487	171,996	-3.09	12.7	12.0
	GDP AT MARKET PRICES	1,394,419	1,434,740	2.89	100.0	100.0

2014* Semi-final data

2015** Preliminary data

Tab.4 GDP at current prices, previous year prices and real growth, 2014-2015

A19	Economic Activities NACE Rev. 2	Values at current prices (In ALL millions)		Values at previous year prices	Real growth (%)
		2014*	2015**	2015**	2015**
A1	Agriculture, forestry and fishing	278,924	291,601	281,124	0.79
A2	Mining and quarrying	69,085	43,106	61,324	-11.23
A3	Manufacturing	73,603	77,396	77,290	5.01
A4	Electricity, gas, steam and air conditioning supply	25,850	36,853	29,372	13.62
A5	Water supply; sewerage, waste management and remediation activities	10,005	10,920	11,164	11.58
A6	Construction	121,402	138,658	138,539	14.12
A7	Wholesale and retail trade; repair of motor vehicles and motorcycles	154,294	151,276	149,160	-3.33
A8	Transportation and storage	41,594	43,890	44,737	7.56
A9	Accommodation and food service activities	24,342	25,168	25,046	2.89
A10	Information and communication	38,849	41,237	40,614	4.55
A11	Financial and insurance activities	35,160	38,975	36,956	5.11
A12	Real estate activities	85,816	85,905	86,739	1.08
A13	Professional, scientific and technical activities	35,098	41,206	40,449	15.25
A14	Administrative and support service activities	35,292	40,024	39,287	11.32
A15	Public administration and defense; compulsory social security	57,149	59,266	58,392	2.18
A16	Education	59,797	61,179	59,621	-0.29
A17	Human health and social work activities	38,114	41,158	41,643	9.26
A18	Arts, entertainment and recreation	17,121	16,761	16,848	-1.59
A19	Other service activities	15,439	18,165	17,930	16.13
	GVA at basic prices	1,216,933	1,262,744	1,256,238	3.23
	Net taxes on product	177,487	171,996	174,290	-1.80
	GDP AT MARKET PRICES	1,394,419	1,434,740	1,430,528	2.59

2014* Semi-final data

2015** Preliminary data

Tab.5 Gross Domestic Products by Expenditure Approach by current prices

GDP indicators	Value		Nominal growth rate (%) (2015/2014)	GDP structure (%)	
	In ALL million			2014*	2015**
	2014*	2015**			
Final Consumption	1,297,286	1,329,469	2.48	93.03	92.66
Final Consumption of the Households	1,129,915	1,161,195	2.77	81.03	80.93
Final Consumption of General Government	159,788	160,711	0.58	11.46	11.20
Individual consumption	80,060	78,375	-2.10	5.74	5.46
Collective consumption	79,729	82,336	3.27	5.72	5.74
Consumption of NPISHs	7,583	7,562	-0.27	0.54	0.53
Gross Fixed Capital Formation	342,844	377,538	10.12	24.59	26.31
Change in inventories	31,154	-24,617	0.00	2.23	-1.72
Statistical discrepancy	-12,010			-0.86	
Net export	-264,855	-247,651	-6.50	-18.99	-17.26
Exports of goods and services (f.o.b)	393,657	391,098	-0.65	28.23	27.26
Exports of goods	130,401	107,849	-17.29	9.35	7.52
Exports of services	263,257	283,249	7.59	18.88	19.74
Imports of goods and services (f.o.b)	658,512	638,749	-3.00	47.22	44.52
Imports of goods	440,461	428,797	-2.65	31.59	29.89
Imports of services	218,051	209,951	-3.71	15.64	14.63
GROSS DOMESTIC PRODUCT	1,394,419	1,434,740	2.89	100.86	100.00

2014* Semi-final data

2015** Preliminary data

Tab.6 Gross Domestic Products by Expenditure Approach by constant prices

GDP indicators	Value		GDP at previous year prices (2015/2014)	Real growth (%)	
	In ALL million			2015**	
	2014*	2015**			
Final Consumption	1,297,286	1,329,469	1,307,023		0.75
Final Consumption of the Households	1,129,915	1,161,195	1,140,097		0.90
Final Consumption of General Government	159,788	160,711	159,360	-	0.27
Individual consumption	80,060	78,375	78,311	-	2.18
Collective consumption	79,729	82,336	81,048		1.65
Consumption of NPISHs	7,583	7,562	7,566	-	0.21
Gross Fixed Capital Formation	342,844	377,538	378,318		10.35
Net export	- 264,855	- 247,651	- 240,228		9.30
Exports of goods and services (f.o.b)	393,657	391,098	397,562		0.99
Exports of goods	130,401	107,849	108,154	-	17.06
Exports of services	263,257	283,249	289,408		9.93
Imports of goods and services (f.o.b)	658,512	638,749	637,790	-	3.15
Imports of goods	440,461	428,797	430,499	-	2.26
Imports of services	218,051	209,951	207,291	-	4.93
GROSS DOMESTIC PRODUCT	1,394,419	1,434,740	1,430,528		2.59

2014* Semi-final data

2015** Preliminary data

Information for Users

Methodology and classification

The GDP estimations are harmonised with concepts and definitions of European System of Accounts (ESA 2010) and System of National Accounts (SNA 2008). Both these methodologies are the latest updates of ESA 1995 and SNA 1993. The European System of National Accounts and Regional Accounts is the framework for the measurement of economic and financial activities of the economic system, their components and the links between them for a given period of time (usually quarterly up to one year). Transactions made by the economic agents related to other resident or non-resident units in an economic territory are object of measurements in National Accounts.

The classifications used in the National Accounts are as follow:

- Nomenclature of the economic activities REV.2 (NACE Rev.2).
- Nomenclature of Products by Activity (CPA);
- Classification of individual consumption by purpose (COICOP);
- Classification of the functions of the government (COFOG).

Data sources

Various statistical and administrative sources are used for the estimation of GDP. Data could be statistical products of INSTAT or administrative data from different national institutions such as Ministries, General Directorate of Taxes and Customs, National Registration Centre, Bank of Albania, Financial Supervisory Authority, National Agency of Natural Resources, etc. By comparing these sources with each other, it is obtained a clear picture of the economy which is comprehensive, consistent, coherent and fully integrated.

The statistical sources include data gathered from various records and surveys on entities or households, among which it could be mentioned: Business Register; Population and Housing Census; Structural Business Survey; Retail Trade Survey; Household Budget Survey; Labour Force Survey; Living Standard Measurement Survey; Price Statistics Survey, etc.

Administrative sources include administrative data collected by other institutions for various purposes, among which it could be mentioned: The annual financial statements; Value added tax (VAT); Monetary financial statistics; Balance of Payments; Government fiscal statistics; Foreign trade statistics; Data on electricity and energy products; etc.

Stage of publication and revision policies

Estimates of annual GDP pass through three stages of calculations and publications.

- The first stage is the preliminary estimate of annual GDP, by both methods, within eleven months after the end of the year (t+11) and is based on preliminary data sources of the annual Structural Business Survey and administrative sources.
- The second stage includes semi-final estimates of the annual accounts of the GDP for the year “t” within six months after the preliminary assessment (t+17). Semi-final calculations are based on data sources more complete and therefore almost entirely on direct methods.
- The third stage includes the final estimates of GDP for the year (t). In this third stage, when the data set of the year (t+1) is received, the data of the year (t) is reviewed once again in order to incorporate any changes made to the year (t) and to ensure the consistency of the two consecutive years. During this stage is performed the final balancing at product level between the two methods of GDP.

The published data are revised based on revision policies of the national accounts. The annual estimates of the GDP and its components are subject of two types of revisions: routine and major revisions.

Routine revisions:

Annual routine revisions are as a result of updates of annual available data sources with the latest data of a given year “t”. Estimation of GDP of year “t” pass through three above stages of compilation until to final estimations. The first annual preliminary estimates on annual basis of the current year are available 11 months after the end of the reporting year (at the beginning of December of year t+1). Annual preliminary estimations are based on preliminary data of annual survey and other administrative sources. Preliminary results are revised after six months in order to obtain semi-final estimates. At the same time there are also revised the estimates of the previous year (t-1) in order to transform the estimates from semi-final to final.

Major revisions:

Major revisions are linked with incorporation of new statistical and administrative data sources; improvement of statistical techniques and methods of national accounts data compilation; changes in definitions, methods and classifications in international level, introduced by new System of National Accounts 2008 (SNA 2008) and European System of Accounts 2010 (ESA 2010).

Definitions

Gross Domestic Product (GDP): Gross Domestic Product at market prices, is the final result of production activity of productive resident units during a year. It is calculated in two approaches:

- **GDP according to production approach** is equal to sum of gross added values relevant to different kinds of activities, adding taxes and subtracting subsidies on products (not distributed to sectors or branches of a certain activity);

- **GDP according to expenditure approach** is equal to final domestic usage of products and services (final consumption, gross fixed capital formation, changes in inventories), plus exports, minus imports.

Output: production is an activity carried out under the control, responsibility and management of an institutional unit that uses inputs of labour, capital and goods and services to produce outputs of goods and services. The total of products created during the accounting period is considered as output. There are three types of output such as: market output; output produced for own final use; non-market output.

Intermediate consumption: Intermediate consumption consists of goods and services consumed as inputs by a process of production, excluding fixed assets whose consumption is recorded as consumption of fixed capital. The goods and services are either transformed or used up by the production services.

Gross Value Added: Gross Value Added represents the contribution of different activities in GDP and is calculated as the difference between the output and intermediate consumption.

Nominal GDP: measures the current market value of a country's gross domestic product.

Real GDP: measures the volume level of a gross domestic product after changes in prices have been taken into account. It is obtained by expressing values in terms of a base period or previous period prices.

Taxes on products and imports: Taxes on products are paid taxes per unit of some goods and services like the Value Added Tax, excise and customs' tax on imports.

Subsidies on products and imports: Subsidies on products are non-reverse payment made by public administration units to the companies in the form of a certain amount of money per unit of goods or services. Subsidies on imports consist in subsidies of goods or services payable when the product surpasses the border of economic territory or if the services were made to resident institutional units.

Final consumption: Final consumption is one of the basic components of GDP by expenditure method. It consists in goods and services used by separate families or communities and are calculated as the sum of final consumption of household, final consumption of general government and final consumption of non-profit institutions serving the households.

Final consumption of households: Final consumption of households' contains all goods and services directly used to fulfil the individual needs of resident families.

Final consumption of General government and Non Profit Institutions Serving Households (NIPSH):

Is the value of non - commercial services ensured by General government and non - profit institutions to the profit of communities or groups of families. It is calculated as the difference between the general government production and NPISH s and their market production value.

Net Export: Net export is the difference between export of goods and services (fob) and import of goods and services (fob).

Gross fixed capital formation: Consists in expenses made to buy new capital or other specific expenses accomplished by resident producers in goods or services to maintain, increase or enlarge their productive activity or create new process conditions in the future.

Changes in inventories: Is defined as the difference between inventories of stocks in process and circulating assets by the end of the year and beginning of the other one. Inventories include raw material and others, products, works and services in process, not finished and finished goods, animals etc.

Basic prices: is the price receivable by the producer from the purchaser for a unit of a good or services produced as output, minus any tax payable and plus any subsidy receivable on product. It excludes any transport charges invoiced separately by the producer.

Market prices: is the price after adding taxes and deducting subsidies on products.

Current prices: Prices of reference period. They represent the price paid for goods and services during the time of production or consumption.

Constant prices: Estimation in constant prices represents the estimation in real terms, deflated with prices of a base year or of the previous year.