

Steps ahead and future challenges for National Accounts in Albania

**MAIN RESULTS ACHIEVED IN THE FRAME OF THE EU PROJECT
"ALIGNMENT OF ALBANIAN STATISTICS WITH EU STANDARDS"**

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Presentation outline

- 1. State before the IPA 2007 project**
- 2. Results of the project (6)**
- 3. Further tasks – future challenges (3)**

State before the IPA 2007 project

1. Previous important steps:
EU project and IMF project 2004-2006
2. Established a unit (directorate) for National Accounts
3. Main parts of annual NA was introduced:
 - GDP estimation based on production approach
 - Expenditure side estimation, but not by independent method
 - Not enough disaggregated
 - Quarterly GDP estimation based on production method only, started in 2008

Albanian NA was far from the Minimum Required Data Set

Results of the IPA 2007 project (1/6)

Improvement of annual National Accounts/ 1

1. Improvements of data sources
2. Improved methodology for annual NA
Production side estimation
3. Improved methodology for estimation of Non-Observed
Economy (NOE)
Steps to better exhaustiveness

Results of the IPA 2007 project (2/6)

Improvement of annual National Accounts/2

Expenditure side estimation

1. Elaborated method for expenditure side component by estimation independently from production side GDP (EU requirements: at least two independent estimations of GDP)
2. New estimations for all main expenditure components
 - Household final consumption expenditure
 - Government final consumption expenditure
 - NPISH final consumption expenditure
 - Gross Fixed Capital Formation
 - Net export
 - Changes in inventories
3. First experimental results on expenditure approach estimation of GDP

Results of the IPA 2007 project (3/6)

Elaboration of Supply and Use tables (SUT)

1. Importance and role of SUT in NA
 - Indispensable part of NA in EU
 - Important tool for checking the reliability of NA
2. Completed SUTs by 25x25 (product and branch groups) for 2008 and 2009
3. Prepared SUTs by 60x60 (experimental version)
4. Prepared the symmetrical Input-Output tables for 2008 and 2009 (experimental version)
5. First use of the Albanian SUT:
deflation of intermediate consumption

Results of the IPA 2007 project (4/6)

Elaboration of institutional sector accounts

1. Delimitation of units into the institutional sectors
2. Elaborated the unified frame for compiling the accounts of sectors (based on the system used by the Czech Statistical Office)
3. Elaborated the production accounts and generation of income accounts for all institutional sectors:
Non-financial institutions, Financial institutions, Household, Government, NPISH
4. Elaborated the full sequence of accounts for the Government sector (experimental version)
5. Completed the first experimental version of Albanian Sector Accounts

Results of the IPA 2007 project (5/6)

Improvement of quarterly GDP

1. Introduced the chain-linking method for the estimation of constant prices figures and growth rate
2. Completed the first experimental estimation of the expenditure side components

Results of the IPA 2007 project (6/6)

Estimation of regional accounts

1. Elaborated the Albanian system of regional units by NUTS
2. Elaborated a technique for the estimation of annual GVA and GDP
 - by regions (NUTS 2)
 - by prefectures (NUTS 3)
 - by activities (NACE rev 1.1)
3. Introduced the regular (annual) publication of the Regional Figures with detailed methodical explanation

Further tasks – future challenges (1/3)

The Albanian system of NA is adjusted to the most important requirements of EU standards, but some further fundamental improvements are needed

- Further improvements of the available data sources
 - New statistical survey (e.g. for NPISH)
 - New questions in existing surveys (SBS, STS, HBS, LFS)
 - More data transfer from MoF, from BoA, from AFSA
 - More cross-checking of the data base

Further tasks – future challenges (2/3)

- Recalculation of NA based on the improved data sources (including the results of the Population Census 2011)
- Further completing the NOE data with estimation of illegal activity (like drug production and trade)
- Completing the full sequence of sector accounts
- Calculation and publication have to be more detailed, in more disaggregated level

Further tasks – future challenges (3/3)

- Introducing ESA 2010
- Integration of the different parts of NA
(Integrating the compiling techniques of annual accounts, sector accounts and SUT)
- Fulfilling the requirements of the EU Data Transmission Program
- Fulfilling all statistical requirements of EU = shooting to a moving target

Congratulations to the NA-staff of INSTAT
for the successful works

Thank you for your attention - Faleminderit