

Introduction

Pursuant to Article 7, point 2 of Law No. 9180, dated 05.02.2004 “On official statistics” (Statistics Law), as amended, the Institute of Statistics (INSTAT) is responsible for proposing a five-year Draft Official Statistics Program (the Program) to the Council of Statistics, and for ensuring its implementation.

Such Program is the main document that regulates the production of official statistics by the National Statistics System needed for observing the economic, social, and environmental situation in the Republic of Albania, in line with the statistical principles foreseen under Articles 4 and 4/1 of the Statistics Law, which are in line with the European Statistics Code of Practice. The Program serves also to orient INSTAT and other statistical agencies towards the quality of statistical production required by the *Acquis Communautaire* standards.

The 2017-2021 Program is the third document of its kind since the establishment of the Institute of Statistics and the entrance into force of Law No. 9180, dated 05.02.2004 “On Official Statistics”.

The Program was drafted through the special engagement of all the actors involved in the National Statistical System and with the support of the Albanian Government, and institutions, users, and international partners, who contributed not only by providing valuable input for setting the priority statistical areas for the five next years, but also by providing the necessary resources for successfully carrying out the relevant statistical activities.

Cooperation among the stakeholders involved in this process contributed also to further familiarization with the European documents regulating the methodology applied in the statistics producing processes, the general statistical standards of UN and EU, being aware of the future integration challenges for the statistical system.

Being that this draft document was compiled based on users’ needs and Eurostat requirements, further amendments could always be made in the upcoming five-year period, so that any further users’ needs are integrated. The draft may also be subject to amendments depending on the availability of the additional funds required for the scheduled activities. Pursuant to Article 11, point 1 (ë) of the Statistics Law, the Council of Statistics may decide to authorize the annual updating of the Program in terms of its practical aspect and its implementation, and inform the Council of Ministers and the Assembly of any modifications thereof.

1. THE PROGRESS OF THE PROGRAM OF OFFICIAL STATISTICS FOR 2012-2016

1.1 Demographic and Social Statistics:

1.1.1 Population statistics

- Improvements have been made on data collection received from the demographic vital statistics forms. The digitalization of the Civil Registry offices enabled the transfer of the vital statistics data online, ensuring quality, timeliness, and increased the availability of data. Nevertheless, more has to be done in terms of the completeness and quality of some of the most important demographic variables concerning births, deaths, and marriages, whose lack has had a negative impact on the calculation of certain demographic indicators.
- Some thematic analysis has been made based on the 2011 Population and Housing Census, including 11 thematic analyses on different areas, which were published in May 2014. In addition, the Census data, were further used for expanding the scope of thematic analysis, introducing 4 new analysis to the previous set, including: 'People with Disabilities Profile', 'Roma and Egyptian Population Profile', 'Youth in Albania: Challenges in times of change', and 'Population ageing:
- The analysis on Old Age in Albania was published in 2015.

1.1.2 Education and Health Statistics

- The implementation of the new ISCED 2011 classification, which applies to education administration data only.
- Improvement on completeness of information for health statistics. However, being that the main source of information for the health statistics is the administration, difficulties and delays have been encountered in accessing such information.
- ICD 10 classification is not yet applied as planned. Health statistics still follow the old ICD 9 classification, which ensures an integrated and sustainable framework for processing and reporting statistical data on morbidity and mortality, which are comparable at the international level.

1.1.3 Employment Statistics

- Publication of the final results of Census-Al 2011 concerning the labour force, and advanced analysis based on such data.
- Regular publication of the main indicators of the labour market on INSTAT website calculated on the basis of the administrative data.

- Improved labour market statistics in terms coverage and quality by adopting and enhancing the Quarterly Labour Force Survey.
- Further development of the labour market structural and basic indicators.
- Conducting the labour cost survey.

These objectives were fully reached, leading to improved statistical indicators, and the calculation of a series of new indicators for the labour market.

Thematic analysis based on the labour force data from the 2011 Population and Housing Census, offered not only an advanced analysis of the labour market, but served also to further enhance INSTAT professional capacities in this direction.

Lack of quarterly data on the dynamics of the labour market development and users' increasing demand for data harmonized with the definitions and methodology of Eurostat and the International Labour Organization led to the need for shifting from an annual labour force survey to a panel survey starting from 2012. During 2012-2016, the Quarterly Labour Force Survey was improved in terms of starting to collect data from laptops, and increasing the size of its samples, with the aim of calculating the data at the prefecture level.

During November 2013 - January 2014, for the first time the Labour Cost Survey was conducted with the reference period of 2012. This survey, which is expected to be conducted regularly, offers information about the total annual labour costs and average hourly cost per full-time labour units.

1.2 Macro-economic Statistics

The macro-economic statistics marked a significant development during 2012-2016, especially in terms of their development in line with the EU requirements. Some of the main activities carried out during this period include:

- Implementation of the latest national account methodology, i.e. the one applied by the European System of National and Regional Accounts (ESA 2010). In 2014, Albania, as many other countries, applied the same principles and methodologies in implementing ESA 2010, improving its national accounts, in quality and timeliness, harmonized with the EU requirements.
- Implementation of the new classification of economic activities (NACERev.2) in the area of national accounts during 2015.
- Publication for the first time of the components of taxes and subsidies for products shifting from Gross Added Value to quarterly GDP.
- Compilation of Supply Use Tables (SUT) and Input-Output Tables (IOT), which were published for the first time in February 2015, including even the development of an extensive methodological material about this product.

- Completion and transfer of the national accounts indicators through the SDMX in compliance with the Data Transfer Program ESA 2010.
- Compilation and reporting of EDP for Albania. A cross-institutional group was established with representatives from INSTAT, the Ministry of Finances, the Bank of Albania, Institute of Social Insurance and the Institute of Health Care and Insurance in order to exchange data and share the necessary knowledge in this area. EDP indicators were for the first time developed in 2015 and continue to be sent to Eurostat twice a year.
- Starting from 2014, efforts have been made to implement the new methodology, the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) in developing statistics of the Balance of Payments, International Trade of Services, Position of International Investment and Direct Foreign Investments.
- The deadlines of the statistical deadlines have been aligned with the deadlines and statistical products of the European Commission, Central European Bank, and Eurostat.

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Starting from 2014, the deadlines for producing and publishing Statistics of International Investment position and statistics of Foreign Direct Investments by states and sectors have been reduced from 15 to 9 months after the reference period as required by the IMF and Eurostat standards.

1.3 Business Statistics During 2012-2016, business statistics were improved in the following areas:

- Update the basket and product weights basket in the Consumer Price Index (CPI) based on the results of 2014 Household Budget Survey.
- Publication of CPI index with new weights and renewed basket was enabled in January 2016, with the base December 2015=100;
- Improvement of the quality of CPI indicators by using the SQL application;
- Implementation of NACE Rev.2 classification through the entire INSTAT statistical activity since 2014;
- Publication of the Import Price Index, creating a complete framework for measuring domestic products, as well as imported and exported ones;

However, the implementation of the Program of Official Statistics has also encountered some difficulties, including mainly in the following areas:

- Application of new techniques for collecting economic data, an undertaking which takes time and relies on the bilateral cooperation between INSTAT and relevant enterprises;

- Surveys of Albanian products, which require new methods and approaches relevant to the national conditions;

1.4 Agriculture, forest, and environment statistics

Regarding the agriculture statistics, the registration of the agricultural economic units expected to take place in 2010, enabling the creation of a Statistical Farm Register, as the main source for improving agriculture statistics, did not take place. Due to delays with the Population and Housing Census, the Register of Agricultural Farms, which would serve as the basis for statistical surveys in this area, was not enabled, and there were, therefore, no improvements made in the statistical data on agriculture.

- Statistics of vegetative production, farm plants, fruit trees, and land use were produced in line with the EU regulations. Statistics of livestock, meat, and eggs were also produced.
- Monthly surveys for slaughter statistics, egg production for public consumption, milk and its products were conducted.
- Annual surveys for urban solid waste were conducted for 2013, 2014, and 2015;
- The infrastructure of the Environmental Economic Accounts was established and the resources for conducting such accounts were provided, which was not foreseen in the 2012-2016 Program.
- Quarterly and annual Agricultural Economic Accounts were conducted.
- Monthly surveys of agricultural product prices and quarterly surveys of agricultural input prices were conducted.
- According to the Official Statistics Programme forest and biodiversity statistics were conducted, in alignment with the EU regulations.

1.5 Multi-domain (environment, science and technology, and information) statistics

Regarding the information and communication technology statistics (ICT), INSTAT obtained statistical information on these indicators, including a special section in the Annual Structural Survey. In July 2016, indicators of ICT were published at the national level for the first time.

Work for producing research and development and innovation indicators is still in the process.

1.6 Support for the statistical production (Statistical Registers and Classifications)

1.6.1 Statistical registers

Following the EU recommendations, INSTAT has created, maintains, and is responsible for a Statistical Register of Enterprises and a Statistical Register of Local Units. The Register of Enterprises is used as the basis for designing samples of economic surveys, while the Register of Local Units is mainly used for producing regional statistics.

During 2012—2016, the following objectives were achieved:

The Register of Local Units was created and is being maintained following the EU recommendations and standards;

- The Reviewed Nomenclature of Economic Activities, NACE Rev.2, is fully applied in the statistical registers of the economic units for 2005-2015;
- A computerized application is set up for updating and managing the registers of economic units and the production of their statistical indicators, which will enable the automatic update of the registers, and the creation of a “life register”;

1.6.2 Classifications

Classifications have served as one of the main instruments for comparing statistical data not only with statistical agencies and public institutions within the country, but also with the European and international institutions. INSTAT has applied the economic classifications unified with the European classifications, observing all the reviews made to these classifications. Currently, pursuant to Decision of Council of Ministers No. 320, dated 28/05/2014, the Reviewed Nomenclature of Economic Activities, NACE Rev.2, is applied in the economic statistics and in the entire public administration; the consultation application published on the web page of INSTAT has facilitated the work for using NACE Rev.2 in correspondence with NACE Rev.1.1 by the institutions of public administration and other users; the Nomenclature of Products, the 2008 review is used in producing economic statistics on products, the Nomenclature of Professions reviewed in 2008 is applied in producing employment statistics. Regarding the Nomenclature of goods, INSTAT complies with all reviews made by the General Directorate of Customs.

2. THE LEGAL FRAMEWORK FOR THE IMPLEMENTATION OF THE STATISTICAL ACTIVITIES TO BE CARRIED OUT DURING 2017-2021

The legal framework on the statistical activity of the National Statistical System consists of two categories: national normative acts and international normative acts.

The first category includes:

Law No. 9180, dated 05.02.2004 “On official statistics”, as amended, which describes the aspect and content of to be provided by the Official Statistics Programme and regulates the process of its approval by the Assembly.

Other laws that regulate the activity of other institutions, which, among others, conduct even statistical activities (collect, process, and secure administrative data).

The Official Statistics Programme for 2017-2021, which according to Article 6 of the Statistics Law, determines the statistical data needed for observing the economic, social, and environmental situation in the Republic of Albania by focusing on essential phenomena for decision makers, and by respecting the citizens’ right of access to official data.

Decisions of the Council of Ministers, which are issued for the implementation of the Statistics Law to regulate specific aspects of the statistical activities, and provide the resources needed for their implementation.

Decisions of the Statistical Council

The role of the **Statistical Council** is to oversee, support INSTAT and other statistical agencies, and take decisions to help them to ensure that the Programme is drafted and implemented. The acts approved by this body are important for monitoring the progress of the statistical activities, and for reporting on them.

Memoranda of Understanding

These are acts signed by two or more institutional parties, which commit themselves to fulfil mutual obligations regarding exchange of statistical data, and their forms and deadlines, in order to guarantee the implementation of the statistical activities foreseen by the Programme.

A comprehensive list of the legal and sublegal acts is provided under Annex 1 of this Programme.

The second category includes the conventions ratified by the Republic of Albania and EU acts, which the Albanian state has committed to align them pursuant to the Article 70 of the Stabilization Association Agreement. The approximation of the national legislation in the area of statistics with the *acquis communautaire* remains one of the main objectives in ensuring compliance with the principles of official statistics and the quality of statistical production.

Improvement of the legal framework over the five coming years

The main purpose of INSTAT is to continue the approximation with the EU *acquis* on European statistical standards, and to increase its role as the coordinator of the National Statistical System.

Following the EU recommendations, mentioned in the EU periodical progress reports, as well as the recommendations of Eurostat, our legal priorities in terms of legislation are as follows:

- Increase the professional independence of INSTAT and statistical agencies through the following:
 - review the procedure for selecting the General Director of INSTAT;
 - give INSTAT a higher hierarchical level in the public administration system;
 - reconfigure the composition of the Council of Statistics orienting it towards users of the official statistics;
 - expand the autonomy of INSTAT in terms of its human and financial resources.
- Improve the access of INSTAT and statistical agencies to micro data and administrative database owned by public institutions.
- Strengthen INSTAT's role as the coordinator of the National Statistical System.
- Expand cross-institutional cooperation by signing memoranda of understanding.
- Strengthen INSTAT's role in the preparatory processes of drafting laws or decisions that have a direct or indirect impact on the statistical activities in Albania.

The review of the legal basis consists primarily the drafting of a law "On amendments to Law No. 9180, dated 05.02.2004 "On official statistics", as amended". INSTAT will be supported in this exercise by foreign experts, who have good knowledge about the European law on statistics.

The draft law is expected to be presented to the Albanian Government during the first half of 2017.

3. MAIN OBJECTIVES OF THE NATIONAL STATISTICS

According to the Statistics Law, the National Statistical System includes all the institutions and organizations operating in the Republic of Albania, collecting, processing, and publishing official statistics in compliance with the Program.

Improving the statistical system in Albania is both a constant requirement of EU and Eurostat, as well as in line with the national and sectorial strategic plans of our country. With the amendments made to the Statistics Law in 2013, INSTAT has formalized its position as the coordinator of the National Statistical System. In order to play its role, the institution has to work to improve its image as a professionally independent institution, which aims at ensuring transparent, coherent, and qualitative statistical products for its

users. On the other hand, the institution must also reach the highest hierarchical level to ensure the appropriate functioning of the National Statistical System, monitor the statistical activities of the institution and organizations involved, and give the relevant recommendations on the methodologies to be applied, and latest European statistical standards.

In this framework, the main strategic objectives of the National Statistical System are:

3.1. Formalize the National Statistical System and harmonize the legal framework on statistical production with that of the EU, with a view to:

- Strengthen the National Statistical System by increasing cooperation and coordination with the institutions involved in collecting, managing, processing, and publishing statistical data, be it official or nonofficial;
- Establish and strengthen coordination structures within the Institute of Statistics;
- Apply the standards and instructions issued by Eurostat on improvement of the statistical quality;
- Ensure the professional independence of the structures involved in the process of official statistical production;
- Enhance and harmonize the national legal framework with the *Acquis Communautaire*.
- Increase cooperation with the statistics users as the unit directly interested in having satisfactory statistical products.

3.2 Improve the quality of statistics in line with the European standards, meeting the increasing users' demand by ensuring the following:

- Develop official statistics of good quality to ensure the information needed for drafting national and sectorial strategies for the country, as well as to monitor their implementation;
- Ensure quality statistics for monitoring entrepreneurship activities, like business statistics, short-term statistics, statistics on investments on human resources, research and development, etc.;
- Ensure administrative data of a better quality from various institutions in order to guarantee good statistical resources that have a direct impact on the quality of the official statistics;
- Adopt and ensure full application of the statistical methodologies and techniques recommended by Eurostat;
- Increase the efficiency of activities in terms of collecting, managing, and processing data;
- Increase the number of statistical observations to expand the range of statistical resources in favour of the accuracy of the published data.

3.3 Develop a professional infrastructure and capacity for the statistical production structures by ensuring the following:

- Introduce European quality management systems to be applied both by INSTAT and other statistical agencies in the country;
- Apply methodologies used by the most developed countries similar to our country in the process of data collection, processing, and publication;
- Use modern methods in the process of data collection to reduce the time and improve the coherence of produced statistics;
- Use modern IT instruments not only during the data processing phases, but to ensure compliance with the principle of statistical confidentiality as well.
- Active participation of INSTAT in the process of creation of administrative databases, or in updating the existing databases of other institutions;
- Apply new techniques to facilitate users' access to the data owned by statistical agencies.

3.4 Increase users' role in processes of statistical activities given their direct interest in the performance of the National Statistical System, by ensuring the following:

- Include interest groups in processes of drafting strategic short and long-term programs for developing official statistics;
- Include users in processes of training of statisticians in order for them to familiarize with the methodologies and techniques used in statistical production;
- Expand the range of basic data available for users in order to meet their demand for data as much as possible;
- Develop appropriate technical solutions, procedures and organizational policies to prevent unauthorized users from accessing databases.

3.5 Improve cross-institutional cooperation and cooperation between institutions and users in order to improve the image and performance of the institutions that are part of the National Statistical System by ensuring the following:

- Increase cooperation between institutions that produce statistics and those similar to EU countries and beyond;
- Strengthen relations and cooperation with research and scientific organizations and universities;
- Exchange the experience gained with the staff members of other interested institutions;

3.6 Develop processes of statistics dissemination by ensuring the following:

- Improve the data quality and reduce processing time from the phase of collection to the publication of the final results;

- Strengthen communication with users not only by providing them with statistical knowledge and products, but also by adopting to the users' needs;
- Apply modern technologies for data publication;

3.7 Develop human resources to increase statistician's professional capacity by ensuring the following:

- Develop training strategies for the staff members of INSTAT and other statistical agencies;
- Participate in the training supported by donors and international organizations;
- Exchange knowledge gained from training, workshops, etc. between direct beneficiaries and other staff members within the institution and beyond;
- Motivate staff to stay with the institution as long as possible so that they may contribute through the knowledge and experience that they have gained;
- Introduce innovative human resources management and documentation techniques;
- Organize social programs to promote and maintain a positive spirit among staff members of the organization.

4. PROGRAM INNOVATIONS

Due to the increasing users' demand for official statistics and taking into consideration the social and economic changes in the country along with the status of EU candidate country, the National Statistical System has to provide a wider range of quality statistical products. The statistical agencies in the country are going to carry out new activities and provide new products in all priority areas. A significant part of the new statistical activities consists of the production of demographic, vital, gender, and agriculture statistical indicators.

The table below presents the number of the new activities and indicators to be produced in each area. Annex 2 of the Program, reflects the list of new statistical activities and indicators in details.

New statistical activities and indicators

Statistical Areas	New activities	New indicators
Area 02: Statistics of Economic governance	1	6

Area 04: Statistics of Economic and Social Performance	11	113
Area 05: Statistics of Environmental Sustainability	3	10
Area 06: Statistics of Enterprises	12	48
Area 07: Statistics of Europe population	10	300
Area 08: Geographic, environmental, agricultural, and other sectorial statistics	13	105
Area 11: Multipurpose statistics and efficiency gained in production	6	
Total	56	582

5. PROGRAM CONTENT

Articles 6 and 7 of Law No. 9180, dated 05.02.2004 “On official statistics” are the legal basis of INSTAT for carrying out its own statistical activities and for monitoring the statistical activities produced by other agencies. The law authorizes INSTAT to coordinate the collection of administrative data and also to check the quality of the data administrative registers.

In this context, INSTAT must develop efficient systems for ensuring the quality management of the National Statistical System. The most important instrument for monitoring the activity of the statistical system is the five-year Program for Official Statistics.

5.1 The procedure followed for drafting the Program

The new Program of Official Statistics was drafted by applying the same methodology of the previous Program, following the structure of Compendium 2015. Breaking down all the levels of Eurostat Compendium, it was easier to assess the environment in which our statistical system operates, identifying the current state of our statistics, as well as its strengths and weaknesses compared to the standards that INSTAT intend to achieve. In addition, another reason for using this structure is related with the fact that this Program is in the same line with the national program for the implementation of the Stabilisation and Association Agreement (SAA). The structure of answers on the progress made in Chapter 18 “Statistics” of the *Acquis Communautaire*, where INSTAT is the responsible coordination institution, is designed in the same form with this Program (at the level of Areas).

INSTAT, as the responsible institution by law for drafting the Program, asked all public institutions, which carry out statistical activities or are responsible for administrative data, to play an active role in drafting the Programme. Cross-institutional communication was enabled through the contact persons appointed by each institution, and through the technical working groups established in specific statistical areas. INSTAT led the technical groups and coordinated the preliminary work.

All the collected information was entered into a special database, which helps in compiling different informative tables to see what the statistical system in Albania produces, when and how statistical products are produced, the agencies responsible for producing them, the public institutions responsible for providing the necessary information, the form of statistics, the deadlines for their publication, etc.

Such database enabled also the creation of the tables under Annex 3 of this Program, where anyone interested may get an orientation as to where they may access the above-mentioned information. These tables also help to define data sources, which may be

administrative or non-administrative, defining the responsible institutions for providing this information.

The database shall be accessible for the public on INSTAT website.

The Program includes all statistical priority areas set by Eurostat. However, taking into consideration the situation of Albania, and the level of compliance with the Compendium, the Program contains some moderate additions and changes. Nevertheless, the logical line of the structure was managed to be maintained.

The Program Structure is as follows:

PRIORITY AREA 02 ECONOMY

PRIORITY AREA 04 ECONOMIC AND SOCIAL PERFORMANCE

PRIORITY AREA 05 ENVIRONMENTAL SUSTAINABILITY

PRIORITY AREA 06 STATISTICS OF ECONOMIC ENTERPRISES

PRIORITY AREA 07 PEOPLE'S EUROPE

PRIORITY AREA 08 GEOSPATIAL, ENVIRONMENTAL AGRICULTURAL AND OTHER
SECTORIAL STATISTICS

PRIORITY AREA 11 MULTIPURPOSE STATISTICS AND EFFICIENCY GAINS IN
PRODUCTION

OTHER MODULES

Each priority statistical area is subdivided into Modules/Submodules. With our statistics system being not able to fully meet the requirements of Compendium 2015, i.e. not all the statistical activities conducted in the Republic of Albania may be grouped and adapted to the Compendium, this Program does not include all the modules described in the Eurostat document. However, the fact that the main structure (areas level) contains information, and most of the modules are implemented, shows that our statistics system produces statistics in most of the socio-economic areas and beyond.

Referring to the above-mentioned form of reporting on the progress of the National Plan for the Implementation of the SAA under Chapter 18, each module/submodule contains several subdivisions to reflect: a brief description of the current situation of statistics by relevant categories, the strategic objectives and activities to be implemented for achieving them, as well as the expected results, which will eventually show the level of compliance with the European standards.

In addition, being that the implementation of statistical activities in some modules/submodules requires additional human resources a table is compiled for "Human Resources", indicating the number of additional staff for each year.

5.2 SWOT Analysis

The SWOT analysis includes the climate where the National Statistics System functions, focusing on INSTAT as the institution responsible for coordinating and monitoring the progress and performance of this system. Taking into account the legal and documentary framework, as well as the statistical environment and culture where INSTAT and other agencies operate, the analysis identifies the capacity, mechanisms, and resources required for the successful implementation of the Program.

The Peer Reviews reports prepared by Eurostat experts have significantly contributed to this analysis. The reports provided contain detailed technical information for the assessment of the national statistical system and are followed by recommendations for improving the relevant processes in the future.

From this perspective, the SWOT analysis concludes as follows:

STRENGTHS

- **Consolidated legal framework.** Taking into account the previous experience of the functioning of the National Statistical System, as well as evaluation reports of Eurostat experts, concluded that the current law on official statistics is a strong legal basis for the production of official statistics. This framework enables the application of fundamental principles of official statistics, ensuring professional independence and statistical confidentiality. **Statistically-based policies, which have enabled a consolidation** of the statistical indicators and the implementation of new statistical activities.
- **Considerable experience.** INSTAT, the Ministry of Finances, and the Bank of Albania have gained considerable experience to guarantee sustainable and quality statistical activities.
- **Positive reputation.** Thanks to the professional skills of its staff, INSTAT enjoys users' respect which has led not only to an increased number of users, but also to a higher demand for statistics. This institution is now recognized not only as the main producer of official statistics, but also as the institution responsible for coordinating activities for official statistics in the country. In this regard, INSTAT enjoys a good reputation also among donors, who have given a significant contribution to the fulfilment of the major statistical activities, working with a correct, coherent, and professional institution.
- **Strong connection among the largest part of statistical sectors.** The exchange of statistical information in a timely manner and in the required form enables sectors to produce statistics according to the methodology and the publication calendar provided. Through some statistical sectors under the ministries and other public institutions, INSTAT has managed to establish the right contacts for creating a consolidated network for statistical exchange.
- **Professional and motivated staff.** The staff members of the statistical system, especially those of INSTAT, have professional capacities not only in statistical areas, but also in support areas such as Information Technology and administrative management. Almost all the staff members have also a good command of the English language.

- **Training skills to train staff members, new statisticians, and users.** The experience gained while exercising their profession in this institution, as well as the knowledge gained with different missions in and out of the country have made a large number of INSTAT staff to have sufficient knowledge about all the processes, methodologies, and approaches to be applied in producing official statistics.
- **Compliance with and implementation of the international statistical classifications.** Most of the national statistical classifications are aligned with the international standards.
- **Good international relations.** In the framework of process for the implementation of the SAA, and benefiting from the experience offered by Eurostat and other foreign experts, INSTAT and the statistical agencies have managed to strengthen both their national and international inter-institutional relations.
- **Awareness about quality standards of official statistics.** Under the right management, and benefitting from Eurostat monitoring activities, INSTAT and the other statistical agencies are aware of the need to have monitoring systems in place, and to use the right instruments for producing official statistics of a better quality.

WEAKNESSES

- **Insufficient forms of communication with the stakeholders.** Forms of communication with the main stakeholders need to be further developed; work should be particularly done for ensuring better communication with the institutions that provide administrative data.
- **Dissemination of statistical information.** Having a publication calendar is not sufficient for having a clear policy for the dissemination of official statistics. Therefore, further steps need to be taken to develop the best forms of publication and dissemination of statistical production, convert all the produced data into a PDF format, etc.
- **Incorrect use of published statistical data and lack of understanding thereof.** In this respect, training users in various areas of statistics would improve interpretation and analysis of statistical information. Lack of integration of the metadata system into the web makes different users not understand the methodology applied in producing statistical data.
- **Incomplete information from the economic statistical units.** Regardless of the 'face to face' or through mail methods used for collecting the data, the non-agricultural economic statistical units provide the required information in an incomplete and erroneous manner.
- **Incomplete statistical infrastructure in institutions of public administration.** Lack of statistical offices and their respective staff in line ministries and other public institutions affect the quality and data collection of statistical information. **Lack of an academic structure for teaching new specialists.** This leads to difficulties with finding and recruiting good candidates in the area of statistics.

OPPORTUNITIES

The new statistics Program for 2017-2021 will:

- Support policymakers in drafting strategic documents, and macro-economic and social policies both at the national and regional level.
- Strengthen the cooperation with other institutions, statistical agencies or non-statistical ones.
- Consolidate the National Statistics System, aligning it with the EU standards.
- Improve the image of INSTAT.
- Improve the staff professional skills.

THREATS

The main threats to the successful fulfilment of INSTAT challenging objectives for these five years could be:

- Failure of some stakeholders to fulfil their obligations deriving from this Program. Thus, failure of some statistical units and providers of administrative data to meet the deadlines for sending data, or provision of incomplete information would cause delays for the statistical activities and affect the quantity and quality of the statistical indicators.
- Lack of statistical offices and the frequent changes to the organizational structure of the line ministries and other institutions providing administrative data poses a risk to the quality implementation of this Program.
- Lack of necessary financial resources could jeopardize the conduct of the surveys foreseen in this Program.
- Institutions do not use the same classifications. If the planned classifications are not managed to be used during the implementation of this Program, there would be discrepancies between different data on the same indicator.

5.3 Integrated Information Technology System

From the perspective of information technology, the information statistical systems have always faced a series of challenges in developing standards, roadmaps, methods, and means for modernizing and improving statistical production.

Integrating systems of statistical information needs to take into consideration the different and specific needs of every individual phase of data processing in different contexts. Therefore, the designers of the integrated systems of statistical information must first of all create a model that describes the function of the statistical offices.

The management of the statistical information requires adequate support by means of modern information technology, starting from better management of the statistical data from administrative sources and those from various surveys, saved in different forms and formats. In order to improve the quality of the statistical products, and to make them reliable, it is important to develop a statistical data warehouse based on a strong basis of standards and policies that govern the statistical production. The standardization of concepts and definitions, as well as the classification of the terminology used in the statistical surveys are necessary for producing good quality statistics. In order to have a successful data warehouse, it has to be supported by an integrated metadata system.

The standardization of the data transfer from the Government organizations – providers of the administrative data for statistics offices – shall have a positive impact on the general statistical system.

The implementation of an automatic system for data collection and processing data from administrative resources shall increase the statistical quality and reduce the time needed for processing and dissemination.

The development and implementation of a statistical data warehouse has a great impact on the statistical production. It includes the development of new systems of information technology, and the use of new means which require major investments. That also requires all processes of the statistical production to be redesigned, shifting from separate activities into an integrated statistical production. In addition to that, this implies a very large organizational operation, which is often underestimated. In such context, the management of metadata is very important.

The statistical office face an increasing demand for statistical information, and such information is expected to be produced in the shortest time possible. In order to meet user needs, statistics need to be modernized both in terms of production, and the way the data are collected, processed, and disseminated.

The statistical data warehouse would solve these problems. This would support the entire statistical chain, from data collection to their publication, offering a clear picture of the data sources.

6. STATISTICAL AGENCIES

Law No. 9180, dated 05.02.2004 “On official statistics”, as amended, describes clearly the statistical agencies, in addition to the Institute of Statistics, as the responsible authority authorized by the Program of Official Statistics to undertake activities for producing official statistics.

Based on the information collected from the institutions producing official statistics, as well as on the processing of data from the database of this Program, a list of all the statistical activities to be implemented during 2017-2021 for the production of official indicators is compiled.

The table below lists the agencies and the number of the official statistical activities for each of them in line with the Program.

Statistical agencies and number of statistical activities

Statistical Agency	Number of statistical activities
Institute of Statistics	123
Bank of Albania	31
Ministry of Finances	3

7. FINANCIAL RESOURCES NEEDED FOR IMPLEMENTING THE STATISTICAL OPERATIONS DURING 2017-2021

The costs of the statistical activities to be implemented during 2017-2021 are planned by taking into consideration the budget planning documents drafted in compliance with Law No. 9936, dated 26.06.2008 “On the management of the budgetary system in the Republic of Albania”, as well as the secondary legislation and Instructions of the Ministry of Finances issued for its implementation. A Group for Strategies, Integration, and Budget (GSIB) and a Program Management Team (PMT) are established and operate under INSTAT since 2010. These structures operate not only for orienting the sectorial strategies, but also for planning and monitoring the execution of the mid-term budgetary funds of the institution. Some of the important documents of financial planning include also some project fiches completed by INSTAT for national IPA funds with several beneficiaries, the agreements signed between the Albanian and the Swedish Governments, which will cover a large part of the major statistical activities during the five-year period, and the relevant technical assistance, which is quite necessary for ensuring the progress of the processes in line with the required standards.

The annual budget includes all the activities that are already being implemented, which started before the Program, and shall be continued with it.

An element that has an impact on the budget of INSTAT is the way in which data are collected. Taking into consideration the fact that most of them are collected using interviewers, a significant part of the budget serves to cover their expenditures for salaries, per diems, and other operational expenses.

The table below presents the estimated budget of INSTAT for the period 2017-2021, which is in line with the Mid-Term Budget Program until 2019, and an approximate estimation for years after that.

INSTAT budget almost doubled during 2010-2011 due to the population and agricultural censuses that took place. A new population and housing census and preparations for an agriculture census are expected to take place in 2021. Thus, a progressive increase of the budget of INSTAT is again foreseen for 2020-2021. However, such increase could be relative, taking into consideration donor support, with the European Union going to provide the largest support.

As for funds from foreign donors, INSTAT shall benefit from the EU funds and grants over the coming years (National IPA funds with many beneficiaries), United Nations (UNFPA, UNICEF, UNDP), and the Government of Switzerland and Sweden mainly for covering the upcoming population and agriculture censuses, and for preparing the indicators in the framework of the sustainable development goals set by the United Nations.

INSTAT budget projection for 2017-2021

Million Albanian Lekë

	2017	2018	2019	2020	2021
covered by the budget	510	502	486	600	710

Some of the modules foresee additional resources for the institution to be able to guarantee not only the implementation of its activities, but to also ensure statistical products of good quality. According to the periodical recommendations of the EU and Eurostat, INSTAT must be supported especially with human and financial resources to improve the GDP, employment, tourism, and education. Any increase in the number of statisticians must be accompanied by additional support IT people for statistical programming and methodology.

By 2021, the Program foresees an increase of INSTAT staff by 34 employees (an average of 7 employees per year) as shown in the chart below:



Number of additional employees for INSTAT	9	13	9	2	1
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8. MONITORING THE PROGRESS OF THE PROGRAM

The monitoring of the progress of the Program is a very important element in guaranteeing the implementation of the statistical activities foreseen in the Programme. The monitoring instruments are described by Law No. 9180, dated 05.02.2004 “On official statistics”, as amended. According to its Articles 8 and 11, the authorities producing official statistics are required to present an Annual Report about the progress of the Programme to be approved by the Council of Statistics. Based on this report, the Council of Statistics may propose potential changes to the Programme, in order to avoid future problems, and to adapt to any changes in the economic, social, and environmental conditions in the country.

According to the above-mentioned law, the Council of Statistics reviews also the four-months reports submitted by INSTAT on the progress of the Programme implementation. Thus, the Council of Statistics evaluates the efficiency of implementation and compliance of the products with the international requirements.

Other monitoring instruments include also the authorized executors, who prepare annual reports on the implementation of the statistical activities during the previous year. The Council of Statistics reviews the reports and gives, recommendations to be followed in the upcoming years..

The memoranda of understanding signed between INSTAT and statistical agencies or other public/non-public institutions enable also the establishment of joint groups to discuss the implementation of the statistical activities, future programmes, etc. These structures have an impact on raising the awareness of the relevant agencies about fulfilling their obligations deriving from this Programme both in terms of the statistical production , as well as to provide information. Together with the producers of the official statistics, they ensure maximum alignments of the priorities set by the three-year program with those of the annual programs during the entire term of this Programme.

The Institute of Statistics has the leading role of monitoring the National Statistical System. In the framework of the needs to fulfil the obligations deriving from the SAA and the EU recommendations for Albania regarding approximation with the *Acquis Communautaire* according to Chapter 18 “Statistics”, INSTAT tries to establish an increasing statistical culture among the other agencies, monitoring the level of efforts made by them in fulfilling their SAA obligations.

Monitoring bodies:

- The Assembly
- The Council of Statistics
- The General Director
- Coordination and Quality Control Structures

Monitoring means:

- Five-Year Programme for Official Statistics
- Annual implementation plan
- Periodical reports drafted by INSTAT
- Peer Reviews
- IT tools

Over the five coming years, INSTAT intends to improve its mechanisms for monitoring the implementation of the Programme through the following:

- Strengthen the professional capacities of the unit established for monitoring the implementation of the Program and the Coordinator of the National Statistical System;
- Apply IT instruments for keeping records and for introducing indicators that will help to measure the annual progress;
- Improve cross-institutional relations by strengthening its coordinating activity;
- Improve the quality reports and their publication ;
- Apply the statistical standards, in our case the GSBPM, to increase the quality of the official statistics;
- Cooperate with Eurostat and the statistical institutes of EU countries for exchanging experiences and for upgrading the methodologies and instruments used for monitoring the implementation of the five-year as well as the annual Programme.

The purpose of drafting the Program of Official Statistics for 2017-2021 is to further develop macro-economic statistics in terms of ensuring a continuous improvement of their quality, shorter deadlines, additional indicators, compliance with the international methodologies, strengthening the capacities, and increasing the cross-institutional cooperation.

The area of “Economic and Social Performance” is focused on developing statistics of the National Accounts, Monetary-Financial indicators, and the Balance of Payments. INSTAT and the Bank of Albania are responsible for drafting and implementing the program for producing such statistics.

Based on these objectives, the Program of Official Statistics for 2017-2021 shall introduce the following innovations:

- Annual accounts by institutional sectors
- Compilation of Supply, Use Tables (SUT) and Input-Output Tables (IOT), which were published for the first time in February 2015 including even the development of an extensive methodological material about this product.
-
- Quarterly series of the main GDP elements by expenditure approach (seasonally and non-seasonally adjusted)

The structure of this area includes the following modules:

European System of Accounts

National Accounts play an important role in developing economic policies, and represent the basis of information for evaluating the structural development and changes of the country’s economy. They provide users with key indicators and information about the economic development of the country. The methodological databases need to be aligned with the latest European Union regulation, the European System of Accounts 2010 (ESA 2010), which is the European version of the System of National Accounts at the world level (SNA-2008).

Strategic objective:

Ensure full implementation of ESA 2010 methodology in the production of the statistics of national accounts statistics.

Annual Accounts by Sectors

The annual sector accounts assess the economic flow among the institutional sectors in order to illustrate the economic cooperation among them.

The Albanian national accounts have currently developed an experimental simplified system, which transfers the existing economic indicators from different sources to the concepts of national accounts for the institutional sectors. A comprehensive set of accounts of the sector of

public administration is developed, while for the other sectors, a system of the two main accounts, (production accounts and incomes account), is developed in line with the principles of balancing applied in ESA 2010 and in the International System of Accounts (SNA 2008).

Strategic objectives:

- Improve the quality of the official statistics for the national sector accounts in line with the EU standards;
- Evaluate and analyze the full set of annual accounts at the national level, providing a clear overview of the non-financial transactions for every institutional sector of the economy, integrating the existing statistical information into the economic and social system of the country;

Financial Accounts – Methodology

This module reflects the work done for the methodological preparation and for compiling the financial accounts. As the result of the initiated activities, the draft methodology for compiling the financial accounts has been completed in 2016 and will be published during 2017. The methodology is prepared based on a classification of the institutional sectors and classification of the financial instruments according to ESA 2010.

Strategic objective:

To establish the structure and draft the methodology for producing the statistics of financial accounts for all the economic sectors, in line with the standards and requirements of the European Central Bank and Eurostat in this area;

Quarterly and Annual National Accounts, Main Aggregates

National Accounts include the main indicators estimated on the basis of Council Regulation (EC) No 2223/96 amended recently by Regulation (EC) No 549/2013, ESA 2010. They include estimation of annual and quarterly GDP indicators by production and expenditure approach

In the recent years, INSTAT has improved its estimations of annual Gross Domestic Product by applying international methodologies ESA 2010, classification of economic activities NACE Rev 2, improving the quality of the statistics of the national accounts, expanding the range of statistical and administrative sources, as well as by applying internationally recognized statistical techniques. Improvement has also been made in the quarterly estimations and publication of the quarterly GDP at the national level by production approach.

, Since 2015, INSTAT publishes also the main components of the GDP by expenditures on quarterly basis.

Strategic objectives:

- Estimation of the national account indicators at the national level by Production approach, in current and constant prices, and improving the methodology and data sources in order to be consolidated and aligned with the EU standards (ESA 2010).
- Estimation of the national account indicators at the national level by Expenditure approach, in current and constant prices, aiming at ensuring coherence with ESA 2010 concepts (SNA-2008), as well as the implementation of the recommendations given for the further development of the National Accounts.
- Ensure the quality of these indicators, making sure that they are accurate, and produced in less time.
- Improve the statistical quality by shortening the time needed for evaluating and publishing the GDP on quarterly basis, and continue to publish the existing indicators, improving the quality of their calculation in full alignment with ESA 2010 and SNA 2008 concepts and EU legislation.
- Introduce new indicators in order to meet the main Eurostat requirements in ESA 2010 Transmission Program;
- Take the initial steps for developing quarterly institutional sectors;

Supply Use Tables and Input-Output Tables

INSTAT collects, checks, and analyses a large group of economic indicators in order to compile supply-use tables (SUT) and input-output tables (IOT) to enable the synthesis of national accounts system based on ESA 2010 requirements and the methodology described in the Eurostat Manual of supply and use tables and input output tables.

Strategic objectives:

- Further development of supply use tables, and the input-output tables compilation framework, and improvement data sources and the methodology to consolidate the compilation of these tables in line with the EU standards (SNA 2008/ ESA 2010) and requirements of transmission program of data to Eurostat (*ESA 2010 Transmission Program of data*).
- Ensure a fully integrated SUT framework into the system of national accounts based on the final GDP estimates at current and constant prices, eliminating statistical discrepancies that exist between different evaluation methods and improving price and volume measures of national accounts through double deflation process.

Regional Accounts

INSTAT evaluates and publishes the GDP by NUTS (Nomenclature of the Territorial Units for Statistics) by production approach. The GDP data are grouped by the main economic activity, expressed also in terms of Purchasing Power Standards (PPS), which takes into consideration the price differences within the European Union. The publication includes also the structure of the economic activities (NACE Rev 2) by statistical regions NUTS3. The publication of this

indicator was made to fulfill the obligations deriving from the Stabilization Association Agreement, and in line with the obligations embodied in Article 37 of the Temporary Agreement (Article 71 of the SAA). The Regional Statistics ensure statistical information at the regional level (NUTS 2/3) on annual basis.

Strategic objectives:

- Evaluation of the GDP per capita in line with ESA 2010 methodology, according to NUTS II/III.
- Further planned improvements for the regional accounts, indicators are made mainly focused improving existing measuring methods of regional indicators, the estimation of the indicators of the Gross Fixed Capital Formation by NUT, and estimation of household resources by statistical regions NUTS II/III.

Consumer Prices:

- Continuously improve the quality of indicators;
- Identify the basket and calculate the index for the group of retired people;
- Continuously improve methodologies used in producing HICP and in addressing specific articles, based on the manuals and regulations that Eurostat updates in this statistical area;
- Apply advanced techniques in collecting and editing the data that lead to a better quality of information;
- Study and identify the sources for calculating the Housing Price Index;

PRIORITY AREA 05 ENVIRONMENTAL SUSTAINABILITY

Monetary Environmental Accounts The objectives related with the implementation of the monetary environmental accounts:

- Production of indicators on Environmental Economic Accounts in compliance with the international standards.
- Build the necessary statistical infrastructure to ensure the continuous improvement of the statistical quality of the physical environmental accounts

Innovations related with the production of indicators of the monetary environmental accounts shall include:

- Annual statistics on expenditures for the protection of environmental protection and incomes
- Annual statistics on environmental taxes by industries
- Annual statistics on environmental goods and services

Physical environmental accounts

Objectives related with the implementation of the physical environmental accounts

- Produce indicators for environmental economic accounts in line with the international standards.

- Build the necessary statistical infrastructure for ensuring the continuous improvement of the statistical quality of the physical environmental accounts
Innovations related with the production of indicators of the physical environmental accounts shall include:
 - Annual statistics on accounts of air and water emissions
 - Annual statistics on environmental physical accounts
 - Annual statistics on energy physical running accounts

Given that the administrative data are partial, the production of these indicators is expected to be completed during 2017 - 2021.

PRIORITY AREA 06 BUSINESS STATISTICS

One of the strategic objectives in developing the economic statistics is to continuously improve the statistical indicators both in terms of quantity and quality in order to meet the need of the decision-makers for statistical information in developing policies for certain economic areas, the need of the users for studies, research and scientific analysis, and for enhancing the professional knowledge in the area of statistics for their accurate interpretation. Compliance with the European standards in terms of statistical completeness and quality, transparency and deadlines, methods of collection and professionalism, remain ongoing objectives and challenges.

Increase cooperation with the other institutions for improving the methods for transferring the economic data from the other institutions to INSTAT and for effectively using the administrative data.

Based on these objectives, the innovations that are expected to be introduced by the Program of Official Statistics for 2017-2021 include:

- Economic statistics, including statistics of prices, enterprises, and exchange of goods, which are transparent, reliable, professional, qualitative, and timely;
- Calculation methodologies updated according to Eurostat recent recommendations and reviews;
- New statistical products like:
 - Harmonized Index of Consumer Price
- Tourism Statistics;
- Regional Structural Statistics;
- Statistics on Research and Development, and Innovation;
- Memoranda of Understanding with the ministries and other institutions for exchanging statistics;
- Calculation of the statistical indicators from a better use of the administrative sources for reducing the burden of enterprises;
- New technologies for collecting information from the statistical units;

Structural Business Statistics

- Improve the data quality;
- Use combined methods for collecting statistical information;
- Introduce new activities in terms of coverage and calculation of the new indicators according to the EU regulations;
- Redesign the survey questionnaire according to the continuous requests and challenges;

Products of Manufacturing Industry

- A list of goods of the manufacturing industry, including different industries, like the food, textile, leather-shoe making, paper, chemical, metallic, and other industries, where products are produced in the country;
- Indicators in terms of volume and value regarding goods of manufacturing industry.

Short-term Business Statistics

- Production of quality indicators for the quarterly statistics of enterprises in compliance with the Eurostat Regulations on Short-Term Statistics;
- Improvement of the collection methods, reducing the problematic reporting of enterprises;
- Effective use of the administrative sources to enable production of monthly indexes;
- Improvement of the methods of calculating deflators, mainly for sectors that lack a price index;

Prices in Industry, Construction and Services

- Production of Producer Price Index (PPI), Export Price Index, Import Price Index, Services Price Index, and Construction Costs Index, in full compliance with Eurostat methodology and standards;

Construction permits issued

- Production of quality indicators in a timely manner, using effectively the administrative sources

Tourism Statistics (supply-demand side)

- Production of quality statistics on tourism in compliance with Eurostat methodology and standards;
- Completeness of indicators on a continuous basis;

***External trade* Foreign trade on goods**

- Continuous improvement of statistical data processing methodology;

- Improve ways and deadline of the information obtained from the General Directorate of Customs on monthly basis.

Statistics on research and development

- Production of statistics on research and development in Albania in line with the international standards;
- Cross-institutional cooperation for ensuring quality production of these indicators;

Statistics on innovation

- Production of statistics on innovation in Albania in line with the international standards;

Statistics on Information communication technology Production of statistics on the use of Information communication technology in enterprises in line with the European and international standards.

PRIORITY AREA 07 POPULATION OF EUROPE

This priority area aims at developing and producing quality social statistics at the national and regional level to ensure monitoring of the social developments in the country.

Demography

The main data that enable the production of vital demographic statistics include births, deaths, deaths under the age of one, and marriages. The main data source is the General Directorate of Civil Status.

Births, deaths, and marriages – The forms are received from the databases of the Civil Register and are electronically sent to INSTAT, so that INSTAT can elaborate the data on births, deaths, and marriages.

Divorce – The statistical data on divorce are received from the statistical office at the Ministry of Justice. INSTAT publishes only divorces according to a final court decision, as they represent the number of divorces in a year in legal terms.

Migration

Official statistics on migration are not yet complete or well developed. The main sources for analyzing the immigration situation include the Population and Housing Census, the Living Standards Measurement Study (LSMS), and now also the Labor Force Survey (LFS).

Population Projections

Following the Population and Housing Census 2011, INSTAT calculated the population projections for the twenty coming years (2011 - 2031). Projections were calculated by single age,

gender, and region. Projections were calculated for the period from 2031 until 2060, expanding the hypothesis trend, but making no new ones for this period.

Innovations

An update of the initial hypothesis is expected to take place for the first time by 2018 so that the projected population is as close as possible to the actual population.

Population Census

The 2011 Census was based totally on the recommendations of Eurostat and UN, and its results are therefore comparable with those of other countries. It was implemented through the traditional ‘door to door’ information collection method. The Population and Housing Census relied completely on individual free declarations, and it included 100% of the ‘core topics’ recommended by Eurostat and UN, and about 65% of the “noncore topics”. Concepts like that of ‘open population’, ‘usual residence Population’ were used in the process, as well as the concept of the ‘household’, which is different from that of the family. The new statistical program includes also preparatory activities for the upcoming census.

Migrant integration, residence permits, Asylum, Enforcement of Immigration Legislation (EIL)

- Innovation

This submodule includes the development and production of quality statistics on residence permits, asylum, and migrant integration. It also includes the collection of data on applications for asylum, applications of non-accompanied children, as well as the initial and final decision on asylum applications. This submodule is intended to build a database of information and indicators on asylum seekers, residence permits, and foreigners living in Albania.

Labor Market and Gender Statistics:

Employment and Unemployment

The employment and unemployment module covers the labor market statistics based on the data collected through the Labor Force Survey (LFS), which is conducted based on EC Regulation No. 577/98. LFS offers a wide range of quarterly and annual information on the characteristics of the labor market and other social and demographic variables for the resident population in Albania. Based on the quarterly and annual data of such survey, INSTAT produces, analyses, and publishes statistics for the labor market, which are presented as tables, and summaries of information and indicators to be applied.

The objectives of the new Program include: improve the calculation of the labor market indicators for measuring the informal unemployment and employment in the informal sectors of economy; analyze all the statistical data sources on employment and compile statistical detailed

tables in cooperation with all the public and private institutions responsible for collecting data on employment; make a longitudinal and cross-sectorial analysis of the labor force survey data. Earnings and Labor Costs Earnings and Labor Costs module covers statistics on wages, gender pay gap, minimum wage, labor cost, and structure of incomes.

The labor costs statistics are produced based on the data collected from the Labor Cost Survey (LCS). The LCS was conducted for the first time by INSTAT in 2013 and is included in the program to be conducted every 4 years. The survey is done with companies employing at least 10 people, using the survey methodology described by EC Regulation No. 1737/2005 “On structural statistics on wages and labor costs”.

The Structure Earning Survey (SES) collects information on the level of wages per employee by gender, age, profession, years of working experience, and education level. Information is combined with enterprise characteristics like their economic activity, size, and location. SES is based on the EC Regulation (EC) No. 530/1999 “On structural statistics on earnings and labor costs”.

Gender Statistics and Discrimination

INSTAT produces a publication on “Women and Men in Albania”. This publication is produced on annual basis and aims at describing the social and economic situation based on gender indicators. This enables the identification of potential discrimination, making these statistics important to be used by students, academia, researchers, and policymakers. The gender indicators are intended to ensure increasing alignment with the UN indicators as a minimum set of necessary indicators for measuring gender equality.

Innovations

The Gender Equality Index is planned to be measured for the first time. This is an indicator calculated by all the member states. The calculation of this composed indicator shall be done by calculating 26 new indicators planned in the Program of Official Statistics. These indicators include areas of employment, education, health, population, time use, and political and economic empowerment. The data sources for these indicators will be the surveys that INSTAT carries out as well as the administrative data.

3. Statistics of Consumption and Living Conditions:

Survey of Incomes and Living Conditions (SILC)

The Survey of Incomes and Living Conditions ensures collection of data about the structure of incomes and living conditions in Albania. This module includes four main areas: level of poverty and social exclusion; distribution of incomes and monetary poverty; living conditions, and material deprivation.

The measure of wellbeing, indicators of living conditions, and poverty are measured with method of incomes for the first time in Albania in 2016 based on the Eurostat methodology. This survey is planned to be collected every year and will produce annual results. The basic indicators are the same for all the EU countries. They have the same categories, and the same indicators are produced. This is how comparability of indicators is maintained with the European countries and other countries, which are recently conducting the Survey of Incomes and Living Conditions EU-SILC.

Household Budget Survey and Time Use Survey

The Household Budget Survey (HBS) is a statistical survey, which ensures the description of consumption expenditures of the households that are usual residents in Albania, and also gives an overview of the socio-economic situation of the Albanian household. . The survey is harmonized with Eurostat recommendations on the methodology, definitions, and classifications. The consumption structure is identified by using the COICOP – HBS 2012 classification for the European countries. HBS data are also used to update the Consumption Price Index and Final Consumption calculation households as an important aggregate of GDP by the expenditure method.

The Time Use Survey (TUS) provides detailed information on how people use their time. The survey gives information on unpaid labor, activity outside the work place, and issues related with work and family life balance. INSTAT conducted the time use survey for the first time at the national level in 2010-2011.

Innovations

The sector in collaboration with the Quality Statistical Sector will produce the quality report of HBS and SILC including the quality indicators according to the Structure Integrated Metadata System (SIMS). SILC ensure producing indicators in the same line with Eurostat methodology and measure poverty and living conditions indicators through income. Also, for the first time will be collected longitudinal SILC using CAPI data collection method.

4. Juridical Statistics:

Juridical statistics provide information about criminal and civil cases by level of courts (Court of First Instance, Court of Appeals, and High Court), criminality and its detection rate, criminal and civil offenders, and prisoners.

INSTAT is at the stage of drafting a Memorandum of Understanding with the General Directorate of Police, and the General Directorate of Prisons. Such memoranda aim at collecting more disaggregated data for INSTAT analytical purposes as necessary, increasing the number of obtained variables in order to improve and increase the number of indicators in this area. INSTAT is being assisted in this process by a SIDA-funded project.

INSTAT is also part of a pilot project on Juridical Statistics assisted by IPA 2014. This project is supporting INSTAT mainly in implementing the International Classification on Crime Statistics. The classification of these statistics is made referring to the Criminal Code of the Republic of Albania.

Innovations

Preparation of a quality report on the Juridical Statistics for the quality indicators according to the Structure Integrated Metadata System (SIMS) in cooperation with the Sector of Statistical Quality. Such product shall be produced for all the statistical products, but the juridical statistics shall be the first ones to be completed mainly from the administrative sources. The Program of the Official Statistics for 2017-2021 plans to introduce about 20 new indicators in this statistical area.

Juridical Statistics are supported by SIDA project as well. A new and dedicated publication on crime statistics is planned under this project by the end of the year.

5. Education, Culture and Youth Statistics:

Education, Vocational Training and Life-Long Learning

The data on education are collected from the public and non-public education institutions of all levels, from kindergartens to universities. The statistical data are collected and processed according to the international classification of education standards ISCED-2011.

The education statistics produced currently by the National System of Statistics do not cover the data on further training delivered by public and private centers, cultural centers, or other institutions, which offer training courses for further qualification for people, who are no longer part of the education system.

Innovations

The new Adult Education Survey (AES) will enable an enrichment of the indicators of formal, informal, and professional education. The survey provides data regarding the structure of adults' (aged 25-64) participation in the life-long learning process. It covers particularly the structure of participation in formal and non-formal education and training, and the reasons, difficulties, and participation costs. The survey's periodicity is 5 years. The survey shall be enabled with the support of IPA 2014 Multi-Beneficiary Statistical Cooperation Program.

Culture and Youth, Statistics – Innovations

It is the first time that these statistics are planned as a separate module in the Program of Official Statistics. Culture statistics are part of the education module. These statistics have been part of the education module before. These statistics aim at presenting the cultural offer, i.e. the offer and demand, which is measured by participation in cultural events. The main source of

information for the offer is the Ministry of Culture. The demand, on the other hand, is expected to be measured by implementing a module dedicated to culture in an existing survey or in a new one to be conducted by INSTAT.

Statistics of young people serve to have a clearer assessment of the Albanian youth, including the age group from 15 to 29. Such assessment is made in different field of life like education, transition from school to the labor market, youth employment, marriage, creation of families, child birth, etc. The statistics is planned to include 29 indicators in the area of culture, and 13 for youth. These indicators are considered new, being that this is a new module in the Program of Official Statistics for 2017-2021.

6. Statistics of Health and Social Protection:

Public Health, and Occupational Health and Safety

This module aims at collecting comparative data in the area of public health, covering essential elements regarding health like: health status, morbidity, disability, health indicators, access to health service, etc. the indicators of this module are based mainly on administrative sources. INSTAT continues to apply the International Classification of Diseases, the 9th Version (ICD-9). The main purpose of the statistics on occupational health and safety is to provide a joint and harmonized dataset in the area of occupational health and safety, covering different elements regarding prevention and protection of workers' health and safety in the workplace, focusing mainly on accidental work, occupational diseases, and other work-related health problems. Statistics for this module are not yet conducted.

Innovations

Application of the new International Classification of Diseases – ICD-10.

Introduce a specific ad hoc module in the VES on accidents at work and other work-related health problems.

Social Protection

The indicators of social protection statistics are based on the administrative data and consist of the number of contributors by sector, level of contribution, pensions by categories and gender, level of pension, minimum and maximum pension, number of households receiving economic aid, a breakdown of the aid fund by structure of households, type of aid and region, average monthly economic aid per household (full/partial aid), data about aid given to people with disabilities, and aid given to unemployed people.

Innovations

The collection of annual data on social protection will be the focus of the five- years Programme, applying the European System of Integrated Social Protection Statistics (ESSPROS). The

statistical unit in ESSPROS is called a social protection scheme, and is defined as a distinctive body of rules, supported by one or more institutional units, which lead the provision of social protection benefits and their financing. The objective of the basic social protection system is to produce data on social protection expenditures, social incomes and benefits classified from the eight social protection functions listed above. The module data on the number of pensions' beneficiaries will also be given on annual basis. The data include the number of beneficiaries of one or more periodical benefits in cash under a social protection scheme, which falls in one of the seven categories of pensions grouped according to four basic functions (disability, old age, survivors, and unemployment).

7. Special Modules:

Children – Innovations

Children indicators were integrated in each module of the previous Programme of Official Statistics. The new Programme dedicates a special and more complete submodule to children in the framework of the indicators planned to be produced. The planned indicators are not only more in terms of numbers, but they are also divided by the social areas and spheres to which they belong.

The achievement of the objectives of this submodule shall be supported by UNICEF.

Ageing of Population – Innovations

This submodule represents an innovation for the Programme of Official Statistics. Its main purpose is to develop and produce indicators for the old people at the national and regional level in order to monitor and measure the progress of the ageing process in the country.

The achievement of the objectives of this submodule shall be supported by UNFPA.

PRIORITY AREA 08 **SECTORIAL STATISTICS, AGRICULTURAL, ENVIRONMENTAL, AND GIS**

The Sectorial Statistics, Agriculture, Environment, and GIS aim to enable the development of joint agricultural and environmental policies, and to monitor the agricultural market. They shall also contribute in the development of economic statistics, and continuous improvement of the statistical indicators both in terms of their quality and quantity.

Regional business statistics

- Harmonized and quality development and publication of regional business statistics;

Statistics of tourism at the regional level

- Harmonized and quality development and publication of regional tourism statistics ;
- Improvement of information on the number of accommodation units and similar structures by regions;

Statistics of energy – Production

- Increase cooperation with data suppliers for ensuring further qualitative and quantitative improvement of the collected data;

Statistics of transport

- Improve the quality of production of indicators for the statistics of transport by type of transport, i.e. by railway, by sea, air, or inland waterways;
- Produce statistics for the road transport;
- Strengthen cross-institutional cooperation for improving the quality of administrative sources;
- Ensure transport statistics aligned with the European standards;
- Produce consolidated regional statistics aligned with the European requirements;

Statistics of accidents

- Improve the quality of production of indicators for accidents and number of persons injured by accidents through a quality control of the data, and effective use of the administrative sources;

Statistics on the quality of air, noise, water, and waste management

Objectives regarding the implementation of statistics for the air quality, noise, water, and waste management

- Production in a timely and quality manner of indicators from data on the quality of air and noise in urban environments in full compliance with Eurostat methodology.
- Production in a timely and quality manner of indicators from data on waste and water in full compliance with the Eurostat methodology.

Innovations regarding production of indicators for the quality of air, noise, water, and waste management:

- Production of annual statistics on waste.
- Statistics on landfills and areas of high risk (their number at the municipality level).
- Waste recycling and recycling sites.
- Data on hazardous waste and their management at the national level.

Statistics on Water

Strategic objectives

- Constant improvement of the quantity and quality of the statistical indicator in this area. Production of statistical information required on river water basins, their flow and discharge in Albania in line with the EU standards
- Implementation of additional indicators in this area as required by the EU.

Innovations regarding production of Water indicators

- Statistics on special water indicators like water supply, wastewater, and their management.
- Statistics on the general and detailed balance of the quantity of ground and underground water entering and leaving Albania by water catchment basins
- Statistics on annual precipitation, evaporation, and total water transpiration for the reporting year at the national level
- General and detailed balance on the quantity of ground and underground water entering and leaving Albania by water catchment basins.
- Statistics on annual precipitation, evaporation, and total water transpiration for the reporting year at the national level

Statistics of Forest and Biodiversity

Strategic objectives

- Provide users with accurate and coherent information on forests, pastures, and biodiversity in order to help them with decision-making and management.
- Ensure further development of data in alignment with the EU requirements and standards.

Innovations regarding the production of indicators of forests and biodiversity

- Albania will draft a General Forest Questionnaire on forests for the first time. Due to lack of necessary information and planning of activities for collecting data in the coming years, the questionnaire is planned to be completed gradually.
- Forest and pasture structure and balance, and the source-use of forest products balance.

In view of increasing the number of indicators on forests, there is a need for support in improving such indicators, and in completing the joint questionnaires with the OECD on forests.

Statistics of Hazardous Waste and Substances

Strategic objectives

- Production in a timely and quality manner of indicators from the statistical data on waste and water in full compliance with the Eurostat methodology;
- Production in a timely and quality manner of indicators from data on industrial waste by generating sources referring to NVE- Rev.2
- Implementation of additional indicators in this area according to EU requirements.

Innovations regarding the production of indicators of hazardous waste and substances

- Statistics on landfills and areas of high risk (number at the municipality level);
- Statistics on waste recycling and recycling sites;

- Statistics on stock and hotspots, areas of high risk (number at national level);
- Statistics on management of industrial waste;
- Quantity of waste generated by branches of economy NVE- Rev.2;

Statistics of Agriculture and Livestock

Statistics of plant products

Strategic objectives

- Improve the official statistics for the crop production, harmonizing the methodology with the European standards.
Innovations regarding the production of the indicators of the crop production:
 - Statistical indicators like size, production, yield, and level of humidity level for cereals and legumes with annual periodicity;
 - Statistical indicators like size, production, and yield for other plants planted in open fields with annual periodicity;
 - Statistical indicators like size, production, and yield for fruit trees, vineyards, citrus and olive trees with annual periodicity.

Statistics of livestock, meat, and eggs

The objective regarding the implementation of the *statistics on livestock, meat, and eggs shall be:*

Timely and qualitative production of the existing indicators of livestock numbers, production of meat and eggs and the structure of poultry in full compliance with the Eurostat methodology and CE Regulation No. 1165/2008.

Innovations regarding production of indicators of livestock, meat, and eggs:

- Structure of poultry.
- Number of livestock slaughtered per year in slaughterhouses by type: bovine, pig, sheep and goat. The livestock statistical categories of slaughters, total live weight and carcass weight by type of livestock.
- Number of livestock slaughtered per year in farms by type: bovine, pig, sheep, and goat and, poultry. The statistical categories of slaughters, total live weight, and total carcass by type of livestock.
- Monthly production of eggs for the market.

Statistics of milk and its byproducts

Strategic objectives

- Continuous improvement of the statistical quality in line with the EU standards;

- Timely and quality production of existing indicators on the quantity of production of milk and milk byproducts by content of fat and protein.

Innovations on production of indicators of milk and its byproducts

- Quantity of cow milk by fat and protein content sold by the farmers directly to milk processing factories per month.
- Structure of factories and milk processing plants collecting and processing milk.
- Consumption quantity of fresh milk in farms, as well as milk products in farms.

Agriculture economic accounts and prices

Objectives on the implementation of the statistics of economic accounts in agriculture

- Measure and analyze the processes of production and primary incomes generated from the economic accounts in agriculture.
- Produce indicators on the economic accounts in agriculture in line with the EU standards.
- Calculate the price index and provide information on producers' prices of agricultural products, and the purchasing prices of tools for agricultural production.
- Harmonize the methodological instruments with EU standards.
- Develop and produce economic statistics on quality agriculture at the national and regional level.

Innovations regarding the production of indicators of the *economic accounts in agriculture*:

- Quarterly statistics on agricultural economic accounts,
- Annual statistics on the agricultural economic accounts, statistics on the agricultural economic accounts at the regional level,
- Agricultural products price index,
- Agricultural input price index,
- Estimated absolute prices,
- Agriculture-land prices, including rent.

With the number of indicators on the economic accounts in agriculture and environment increasing, there is a need for support through several projects.

Statistics of Fishing

Objective regarding the implementation of *statistics* of fishing:

- Continuous development of the statistical quality for the area of fishing and aquaculture in line with Eurostat standards and joint fishing protocols.

Innovations regarding production of the fishing indicators

- Concepts and definitions of sea fishing statistics applied in line with the EU requirements according to the Manual of Statistics of Fishing, recommended by FAO.

- Statistics of aquaculture and clams, produced in line with EC Regulation No. 762/2008
- Technical and socio-economic data collected to improve statistics of fishing according to Eurostat recommendations based on FAU Manuals.

Harmonization of the statistics of Aquaculture with those of the EU, EC Regulation No. 716/2008, requires a pilot project for improving the statistics of aquaculture.

Statistics of Agro-Environment

Strategic objectives

- Draft legislation on pesticides, based on EC Regulations No. 1185/2009 on the production of agro-environmental statistics.
- Generalization of the achieved results based on the methodological criteria recommended by Eurostat

Innovations regarding production of agro-environmental indicators

- Quantity of the chemicals used by major groups
- Land surface fertilized with chemical fertilizers,
- Quantity of pesticides used by major groups
- Land surface treated with pesticides by type of pesticides and major groups

Agriculture and Organic Products

Strategic objectives

- Create and update a register of the organic farms, and organic products certified or in the process of being certified (converted) for the production of quality statistics on organic products and organic farms.
- Continuously improve the statistical quality in line with Eurostat recommendations and standards.

Innovations regarding the production of indicators of organic products

- Organic operators, which are registered and certified like producers, processors, importers, and others, during the reporting year, and new ones during the year, which have not yet met the certification criteria.
- Organic surfaces certified or in the process of being converted, and organic plant products.
- Certified livestock, production of organic products of livestock origin.
- Processing of organic products by economic activity.

Statistics of Land Use and Coverage

Strategic objectives

Secure accurate information on the following:

- Size and composition of land used by categories of land use (at the regional, local, and national level), type of ownership, and geographic unit

- Size and composition of greenhouse production and use of the surface of arable land by structure of the planted surface
- Strengthen the legal framework that ensures the quality of respective statistics
- Strengthen cross-institutional cooperation with the Ministry of Agriculture, Rural Development and Water Administration (MARDWA), Ministry of Environment and Planning (MEP), and Minister of State for Local Issues (MSLI)

Innovations regarding production of indicators of land use and coverage

- Published results on land use and coverage,
- Published results on arable land, pastures and meadows, land planted with fruit trees (fruit trees, olives, citrus, and vineyards), and other non-agricultural land

There is a need for preparations to be made with various donors for implementing the Agriculture Census. Preparations for the next round of 2020 Census need to start years before in order to develop the necessary methodology in time.

Geographic Information System GIS for statistical purposes (INSTAT GIS)

The Geographic Information System (GIS) for statistical purposes is developed and maintained for the Republic of Albania. Interaction of geographic and statistical data offers updated information needed to process, analyze, and report statistics by using statistical maps through the Statistical Atlas WEB application (www.instatgis.gov.al).

Some of the strategic objectives include: guarantee consistency and ensure unified updating of GIS for statistical purposes, access, and availability of geo-statistics, promotion an increasing combination of geo-statistics with statistical databases, enabling data analysis.

Some of the priority activities in its implementation shall include the continuous update of the statistical units (Census Zones - CZ) created since 2011 through field update and other administrative sources, as well as the increase of geo-statistics and GIS use in the National System of Statistics and INSTAT for facilitating public access and interaction of geo-statistical information.

Such updated GIS database developed for statistical purposes shall support statistical activities (censuses, surveys, etc.).

National infrastructure for geographic information system (National GIS)

In the framework of the National Geoportal and creation of a National GIS Infrastructure led by the State Authority for Geospatial Information (ASIG), work has started for approving the relevant standards, and for creating and updating the main areas, with INSTAT being responsible for two areas: k) Statistical Units, r) Demographics.

The main objectives of this module are to offer an open and collaborative infrastructure in terms of its accessibility and dissemination of geo-statistics and geospatial information for statistical purposes through online services.

In presenting the expected results, we would emphasize that the data "layers" for the two areas ("Statistical Units", and "Demographics"), which contain the units, standards, and

metadata, shall be updated and published on the National Geoportal Service and National Infrastructure of Geospatial Information.

PRIORITY AREA 11 MULTI-PURPOSE STATISTICS AND EFFICIENCY GAINED IN THEIR PRODUCTION

Coordination for statistical confidentiality and access to microdata

All employees who are aware about the data they use during their daily work, are obliged to maintain the confidentiality of reliability even after the end of their working function. Violation of the principle of confidentiality constitutes an offence, and is punishable by an administrative measure and/or a fine.

Access to confidential data shall be limited to persons who in the performance of their tasks contribute to the production of official statistics and to the extent that access to these data is necessary for the production of the said statistics.

Some of the strategic objectives are to: approximate the legal framework, secure methodological support for protection of micro or tabular data.

Some of the implementation activities include: development of guidelines for ensuring statistical confidentiality, documentation of the existing processes of ensuring statistical confidentiality, and development of an appropriate infrastructure for safe access by external users of statistical data.

Some of the results expected from this module include: improvement of the processes of ensuring statistical confidentiality and full documentation of procedures, ensure secure access by external users of the statistical data through technology at hardware and software level, maintaining confidentiality.

Statistical standardization of data and metadata

Based on principle 15 of the Code of Practices of European Statistics, which is related with access to, and clarity of Statistics, the accompanying metadata shall be documented through a standardized metadata system. In order to ensure integration into the European System of Statistics, efforts are continuously made for developing and applying technical and statistical standards, as well as IT applications. Such standards shall lead to more integration in the statistical process in different areas.

In order to manage and integrate metadata in all the statistical processes, the Program will aim to: develop a harmonized central metadata system in line with the recommendations of the European System of Statistics and create better links between INSTAT and other national authorities responsible for the official statistics in the framework of the harmonization of the metadata system.

This module is expected to deliver the following results: implemented SIMS standard for referential metadata at INSTAT, publication of metadata reports on INSTAT website by area of statistical production, transfer of metadata to Eurostat in line with the European standard for all areas of statistical production.

Statistical Quality

Quality assurance is important for every activity and operational stage of the statistical processes. It must be understood as a multi-dimensional concept, which refers to aspects of completeness, accuracy, comparability, coherence, punctuality, and accessibility.

Some of the strategic objectives are: develop a reference strategic document regarding the aspects of quality, produce and publish quality reports for various statistical areas, prepare a dedicated publication or a new chapter in existing INSTAT publications for data quality, prepare a survey on users/employee's satisfaction.

Some of the implementing activities include: alignment of the statistical definitions with those of Eurostat, integrate some dedicated questions to measure the quality indicators in the existing or new surveys to be conducted by INSTAT, prepare a survey on users/employees' satisfaction.

Data protection

In order to protect data from the physical damages that might come from hardware failure, INSTAT has developed adequate procedures for continuously ensuring their backup.

At LAN level, users' access system resources (like file, printer, etc.) through the username + password authentication on Windows domain.

Protection from viruses is done through an anti-virus system installed on server. All the users' client computers are updated continuously.

Access to internet is regulated through the firewall at the hardware level, making sure that no user has direct access to the Internet.

The strategic objective of this module is to guarantee confidentiality and protection of the data of individuals or other statistical units to ensure their reliability in the process of providing information.

Some of the implementation activities include: continuous improvement and update of technology at hardware and software level in collecting data, improving rules for data protection and full documentation of procedures.

Classification

- Expansion of areas and formalization of the statistical classifications applied in the Republic of Albania, in line with the European ones;

Statistical registers of the economic units

- Quality maintenance and update of the statistical registers of the economic units;
- Production of quality indicators of the statistical business registers ;
- Creation of a statistical register of multinational enterprises according to EU standards;
- Treatment of the demographic events of the economic units;

Classifications of statistics of trade of goods (Customs)

- Constant update of the Combined Nomenclature of Goods in line with the EU standard requirements.