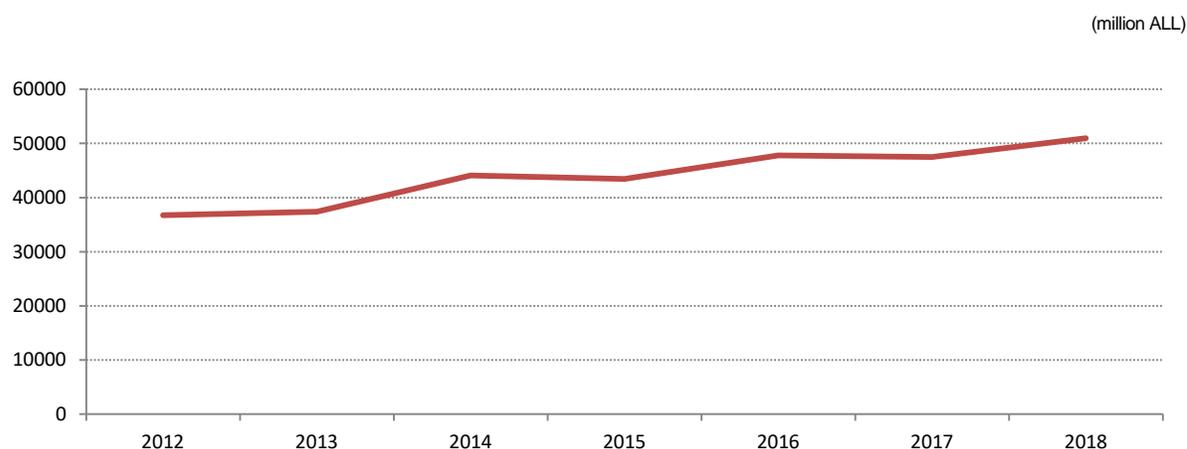


Environmental Taxes in Albania 2018

Tiranë, 16 July 2020: In 2018, revenues from environmental taxes reached approximately ALL 51 billion increasing by 7.34 % compared to 2017. This increase comes mainly as a result to the increase in transport tax income.

Fig. 1 Environmental tax revenues



Tab1. Environmental taxes revenues, by types of taxes

(million ALL)

	2014	2015	2016	2017	2018
Energy Taxes	27,312	22,924	24,539	25,244	25,175
Transport Taxes	14,892	19,255	21,342	20,301	23,689
Pollution Taxes	1,889	1,782	1,880	1,905	2,074
Recourse Taxes	14	19	16	20	20
Total	44,107	43,980	47,778	47,470	50,957

As shown from the structure of environmental taxes in 2018, the greatest share of revenues comes from energy taxes, with 49.40 %, followed by the transport taxes with 46.49 %, pollution taxes 4.07 % and natural resource taxes 0.04 %.

During 2018, revenues from transport taxes increased by 16.69 %, while those from pollution taxes increased 8.87 %. In the same time revenues from energy taxes decreased by 0.28 % and those from natural resource taxes decreased by 1.92 %.

Tab2. Structure of Environmental Taxes revenues, by type

(%)

Year	2014	2015	2016	2017	2018
Energy Taxes	61.92	52.12	51.36	53.18	49.40
Transport Taxes	33.76	43.78	44.67	42.77	46.49
Pollution Taxes	4.28	4.05	3.93	4.01	4.07
Recourse Taxes	0.03	0.04	0.03	0.04	0.04

In 2018, the share of revenues from environmental taxes in gross domestic product (GDP) is 3.12 %, increasing by 0.06 % compared to 2017.

Income from environmental taxes in 2018 represent 12.15 % of total taxes and social contributions, increasing by 0.24 % compared to 2017.

Tab3. Environmental tax revenues

(%)

	2014	2015	2016	2017	2018
The share of revenues from environmental taxes on GDP	3.16	3.07	3.24	3.06	3.12
The share of revenues environmental taxes in total taxes and social contributions	13.13	12.85	12.92	11.91	12.15

2017* Final GDP

2018** Semi-final GDP

Methodology

Definitions

Environmental taxes

Environmental taxes are considered as an economic instrument to control pollution and management of natural resources and are designed to influence the behaviour of businesses, producers and consumers. Environmental taxes are part of the environmental economic accounts, a satellite system of national accounts.

The Environmental taxes data are provided by the Ministry of Finance. Data on energy taxes, transport taxes, pollution taxes, and resources taxes are subject of revision. For more information refer to: http://www.instat.gov.al/media/371722/revision_policy_2016.pdf

Four major environmental tax groups are:

Energy taxes

Energy taxes (including car fuel) include taxes on energy products in the country, as well as on energy products that are also used for transport purposes. This also includes taxes on bio fuels and other forms of energy from renewable sources, as well as taxes on energy product reserves.

Transport taxes

Transportation taxes (excluding car fuel) refer mainly to taxes related to ownership and use of vehicles. These taxes also include taxes on other means of transport (such as aircraft, ships and trains, etc.) and their services.

Pollution taxes

Pollution taxes include emissions to air and water, solid waste management and noise etc. The tax on CO2 emissions, which is covered by the energy tax category, is excluded.

Resource taxes

Resource taxes include taxes on the extraction or use of natural resources (water, forests, wildlife, etc.). VAT and other taxes do not represent a tax that directly or indirectly affects the environment, and is not used in an exclusive way to protect the environment. As a result, these taxes are excluded from these estimates.

The national tax list is a starting point for the assessment of environmental tax revenues. The methodology used for their calculation is made in accordance with Regulation (EU) No 691/2011 and Eurostat guidelines: "Environmental taxes, a statistical guide". These data are harmonized with the European System of Economic Accounts (ESA 2010).